INDUSTRY CANADA

2014–15

Departmental Performance Report

The Honourable Navdeep Bains, P.C., M.P.
Minister of Innovation, Science and Economic Development

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Ministers' Message

We are pleased to report on Industry Canada's key activities in 2014–15.

Our overarching goals within the Innovation, Science and Economic Development portfolio are to help Canadian businesses grow, innovate and export so that they can spur economic development and create good quality jobs and wealth for Canadians in all regions across the country; to help small businesses grow through trade and innovation; to promote increased tourism to Canada; to promote and support scientific research and the integration of scientific considerations in our investment and policy choices. We are committed to working closely with colleagues and stakeholders from all of these diverse fields to achieve these objectives.

We are pleased to present the 2014–15 Departmental Performance Report for Industry Canada.

The Honourable Navdeep Bains
Minister of Innovation, Science and Economic Development

The Honourable Kirsty Duncan
Minister of Science

The Honourable Bardish Chagger
Minister of Small Business and Tourism

Section I: Organizational Expenditure Overview

Organizational Profile

Minister of Innovation, Science and Economic Development:
The Honourable Navdeep Bains, P.C., M.P.

- The Honourable James Moore, P.C., M.P. (responsible Minister for 2014–15)

Minister of Science:
The Honourable Kirsty Duncan, P.C., M.P.

Minister of Small Business and Tourism:
The Honourable Bardish Chagger, P.C., M.P.

Deputy Head:
John Knubley

Ministerial portfolio:
Industry (portfolio name for 2014–15)

Year established:
Incorporated in 1892

Main legislative authorities:
Industry Canada's founding legislation is the *Department of Industry Act*, S.C. 1995, c.1.[1]

Note: In November 2015, the Department's name was changed to Innovation, Science and Economic Development Canada.

Organizational Context

Raison d'être

Industry Canada's mission is to foster a growing, competitive, knowledge-based Canadian economy.

The Department works with Canadians throughout the economy, and in all parts of the country, to improve conditions for investment, improve Canada's innovation performance, increase Canada's share of global trade and build an efficient and competitive marketplace.

Industry Canada's mandate is to help make Canadian industry more productive and competitive in the global economy, thus improving the economic and social well-being of Canadians.

Responsibilities

Industry Canada works on a broad range of matters related to industry and technology, trade and commerce, science, consumer affairs, corporations and corporate securities, competition and restraint of trade, weights and measures, bankruptcy and insolvency, intellectual property, investment, small business, and tourism.

In 2014–15, twelve federal departments and agencies made up the Industry Portfolio.[2] Industry Canada works in partnership with the members of the Industry Portfolio to leverage resources and use synergies in a number of areas in order to further the Government of Canada's goal of building a knowledge-based economy in all regions of Canada and to advance the government's jobs and growth agenda.

Strategic Outcomes and Program Alignment Architecture (PAA)

Industry Canada's Program Alignment Architecture (PAA) is an inventory of all of its programs. The programs are depicted in a logical and hierarchical relationship to each other and to the strategic outcome to which they contribute. The PAA also provides a framework that links financial and non-financial resources and results to each program.

Strategic Outcome: The Canadian marketplace is efficient and competitive

Program: Marketplace Frameworks and Regulation

- Sub-program: Trade Measurement
- Sub-program: Bankruptcy and Insolvency
- Sub-program: Federal Incorporations
- Sub-program: Intellectual Property
- Sub-program: Market Access
- Sub-program: Consumer Affairs

Program: Marketplace Competition and Investments

- Sub-program: Competition Law Enforcement
- Sub-program: Investment Review

Program: Spectrum, Telecommunications, and the Digital Economy

- Sub-program: Spectrum and Telecommunications Policy and Legislation
- Sub-program: Spectrum Management and Regulation
- Sub-program: Communications Technologies Research and Innovation

Strategic Outcome: Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Program: Science, Technology and Innovation Capacity

- Sub-program: Science and Technology Policy and Analysis
- Sub-program: Science and Technology Partnerships

Program: Industrial Research and Development Financing

- Sub-program: Automotive Innovation
- Sub-program: Aerospace and Defence Innovation

Strategic Outcome: Canadian businesses and communities are competitive

Program: Small Business Research, Financing and Services

- Sub-program: Small Business Financing and Growth
- Sub-program: Service to Business

Program: Industrial Competitiveness and Capacity

- Sub-program: Industry-Specific Policy and Analysis
- Sub-program: Shipbuilding Capacity
- Sub-program: Industrial and Regional Benefits

Program: Community Economic Development

- Sub-program: Northern Ontario Economic Development
- Sub-program: Computer and Internet Access

Internal Services

Organizational Priorities

Priority	Type	Strategic Outcome
Advancing the marketplace	Ongoing	The Canadian marketplace is efficient and competitive
Summary of Progress		
• The *Fairness at the Pumps Act* (which amended the *Electricity and Gas Inspection Act* and the *Weights and Measures Act*) and associated regulatory amendments came into force on August 1, 2014. • Industry Canada prepared for the 2500 MHz band spectrum auction, which took place in April 2015, to help foster more competition in the wireless sector. • Amendments to the *Trade-marks Act*, the *Patent Act* and the *Industrial Design Act* received Royal Assent in 2014–15. • Amendments to the *Radiocommunication Act* received Royal Assent on December 16, 2014 and established administrative monetary penalties as a new compliance enforcement mechanism.		

Priority	Type	Strategic Outcome
Fostering the knowledge-based economy	Ongoing	Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy
Summary of Progress		
• In 2014–15, Industry Canada supported the development of an updated federal Science, Technology and Innovation Strategy. Industry Canada supported engagement with stakeholders and conducted research and analysis to enhance the understanding of domestic and international systems of innovation. • Industry Canada continued to contribute to the advancement of Canada's innovation capacity and expertise. The Department is processing the first projects from the Technology Demonstration Program, with public announcements anticipated in late 2015–16. • Industry Canada implemented the previously announced changes to the Strategic Aerospace and Defence Initiative. The changes aim to reduce administrative burden and provide further incentive to firms—especially small- and medium-sized enterprises—to invest in R&D, while ensuring that Canadians benefit by securing high-value business opportunities. • Automotive Innovation Fund investments in 2014–15 contributed to the development and commercialization of new products including advanced materials and emissions technologies, and advanced or expanded flexible manufacturing processes and facilities.		

Priority	Type	Strategic Outcome
Supporting business	Ongoing	Canadian businesses and communities are competitive

Summary of Progress

- The Industrial and Technological Benefits Policy was launched to help ensure that defence and security procurements going forward are better leveraged to create jobs and economic growth in Canada.
- Industry Canada collaborated with FedDev Ontario to deliver the Advanced Manufacturing Fund. In particular, the Department assessed the innovation and economic spillovers, and market relevance of R&D and advanced manufacturing projects.
- Industry Canada continued to enhance the growth and competitiveness of small businesses and cooperatives, and encouraged entrepreneurship by delivering programs such as the Canada Small Business Financing Program and BizPaL, and developing policies aimed at increasing access to financing for small and medium-sized enterprises.
- The Department launched new targeted initiatives through FedNor to enhance programming in areas such as SME youth internships and economic development capacity in rural and First Nation communities.

Priority	Type	Strategic Outcome
Ensuring sound management	Ongoing	All strategic outcomes

Summary of Progress

- Industry Canada continued its efforts on Blueprint 2020 by bolstering the outreach and engagement aspects of its action plan and changing the Department's governance structure. The action plan encourages broad engagement by soliciting direct employee involvement in integrated planning, human resources practices, internal communications, policy development, innovation and program delivery. Industry Canada implemented the government-wide operating budget freeze, managing it largely through attrition while ensuring the continued delivery of the Department's mandate and core activities.
- The Department also focused on implementing government-wide transformation initiatives in information technology, information management, finance and human resources management through ongoing initiatives such as Open Government, GCDocs and pay consolidation.
- The Department focused on its workforce, workplace and leadership through various initiatives, including: enhancing the performance management program by implementing the Directive on Performance Management and holding related skills-building workshops for managers; continuing work to establish a corporate approach to recruiting and developing policy advisors; and revitalizing the Industry Canada Managers Community, which is leading departmental initiatives to foster innovation, build engagement and enhance professional development opportunities for managers.

Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
There is a risk that the Department's ability to manage the release of spectrum for mobile services may not keep pace with the rapidly-growing demand for new services.	In 2014–15, Industry Canada held consultations on the repurposing of available spectrum in the 2500 MHz band and on repurposing the 600 MHz band for commercial mobile use. The Department also published decisions on the licensing of the Advanced Wireless Services 3 and 4 bands, with the auction of the former taking place in March 2015. Preparations were made for the auction of the 2500 MHz band in April 2015.	**Strategic Outcome:** The Canadian marketplace is efficient and competitive **Program:** Spectrum, Telecommunications and the Online Economy
In light of their inherent complexity and of evolving market conditions, there is a risk that disbursements under some of Industry Canada's programs to support research and development may be slower than anticipated and expected benefits may not be realized.	To ensure programs meet the needs of stakeholders, the Department implemented changes in response to recommendations in *Beyond the Horizon: Canada's Interests and Future in Aerospace*. This included conducting stakeholder consultations on the Technology Demonstration Program (TDP) to obtain feedback on program design, delivery and results. Industry Canada also worked to raise program awareness and uptake by conducting outreach activities to provide general information and information on the application process for the Strategic Aerospace Defence initiative and the TDP.	**Strategic Outcome:** Advancements in science and technology, knowledge and innovation strengthen the Canadian economy **Program:** Industrial Research and Development Financing

Industry Canada's risk environment is shaped by the Department's mandate and objectives, government policies and priorities, as well as broader economic, social and technological trends.

For 2014–15, Industry Canada's priorities included preparing to auction spectrum to support new technologies and services in the Canadian marketplace. The Department also updated the federal Science, Technology and Innovation Strategy to strengthen private sector uptake of the results of Canadian investments in science and technology.

knowledge and innovation. To achieve these priorities and deliver program results, the Department identified and managed the risks associated with them.

The table above identifies key risks from Industry Canada's 2014–15 Corporate Risk Profile, which is part of a tailored integrated management approach to address risks that may impede the Department's overall ability to deliver on its mandate. This approach meets the Department's needs for sound risk management and allows it to monitor mitigation strategies and action plans in response to corporate risks.

Actual Expenditures

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for Use	2014–15 Actual Spending (authorities used)	Difference (actual minus planned)*
1,077,743,513	1,129,505,513	1,326,485,054	1,097,414,496	(32,091,017)

* The difference between Planned and Actual Spending reflects fluctuations in spending by individual programs, as detailed in the Performance Summary Explanation below.

Human Resource (Full-Time Equivalents [FTE])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
4,713	4,667	(46)

Budgetary Performance Summary for Strategic Outcomes and Programs (dollars)

Strategic Outcomes, Programs and Internal Services	2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending	2014–15 Total Authorities Available for Use	2014–15 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2012–13 Actual Spending (authorities used)
Strategic Outcome: The Canadian marketplace is efficient and competitive								
Marketplace Frameworks and Regulations (1)	54,391,487	54,391,487	56,111,095	65,096,565	226,588,256	50,785,898	51,872,092	34,882,416
Marketplace Competition and Investments (2)	46,211,463	46,211,463	47,089,170	47,054,762	49,501,679	48,628,660	47,114,308	49,730,971
Spectrum, Telecommunications and the Digital Economy (3)	114,149,657	114,149,657	109,811,139	104,991,791	125,254,348	123,580,591	142,157,667	173,798,127
Strategic Outcome Subtotal	**214,752,607**	**214,752,607**	**213,011,404**	**217,143,118**	**401,344,283**	**222,995,149**	**241,144,067**	**258,411,514**

Strategic Outcomes, Programs and Internal Services	2014–15 Main Estimates	2014–15 Planned Spending	2015–16 Planned Spending	2016–17 Planned Spending	2014–15 Total Authorities Available for Use	2014–15 Actual Spending (authorities used)	2013–14 Actual Spending (authorities used)	2012–13 Actual Spending (authorities used))
Strategic Outcome: Advancements in science and technology, knowledge and innovation strengthen the Canadian economy								
Science, Technology and Innovation Capacity (4)	319,889,018	319,889,018	304,380,758	302,630,758	314,097,657	313,406,524	210,195,969	415,896,394
Industrial Research and Development Financing (5)	262,634,343	281,396,343	287,630,154	294,782,380	266,607,114	220,998,346	330,580,008	349,193,500
Strategic Outcome Subtotal	**582,523,361**	**601,285,361**	**592,010,912**	**597,413,138**	**580,704,771**	**534,404,870**	**540,775,977**	**765,089,894**
Strategic Outcome: Canadian businesses and communities are competitive								
Small Business Research, Financing and Services (6)	95,390,065	95,390,065	86,766,345	84,478,745	89,667,650	91,428,836	85,577,041	81,516,335
Industrial Competitiveness and Capacity (7)	31,560,065	31,560,065	34,249,228	34,257,507	32,900,839	31,303,195	37,132,066	44,123,977
Community Economic Development (8)	61,707,284	61,707,284	150,391,867	137,911,498	85,133,251	83,737,928	72,366,822	76,756,979
Strategic Outcome Subtotal	**188,657,414**	**188,657,413**	**271,407,440**	**256,647,750**	**207,701,740**	**206,469,959**	**195,075,929**	**202,397,291**
Internal Services Subtotal (9)	**91,810,131**	**124,810,133**	**127,072,400**	**131,629,048**	**136,734,260**	**133,544,518**	**138,479,491**	**131,684,019**
Total (10)	**1,077,743,513**	**1,129,505,513**	**1,203,502,156**	**1,202,833,054**	**1,326,485,054**	**1,097,414,496**	**1,115,475,464**	**1,357,582,718**

Performance Summary Explanation

Strategic Outcome: The Canadian marketplace is efficient and competitive

1. The Total Authorities Available for Use largely reflects the Intellectual Property sub-program, which includes surpluses accumulated by the Canadian Intellectual Property Office (CIPO) since its creation in 1994. CIPO is an organization within the Department that is funded entirely from the revenues it generates. The intent is not to spend the accumulated surplus portion in any single year, but to draw from it when needed (e.g., CIPO IT Modernization Program).

2. The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and an internal reallocation of funds to cover the increase in the cost of legal services.

3. The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and additional funding received during the year for the Spectrum Application Modernization project and the Communications Research Centre, as well as other minor adjustments. It also reflects internal reallocations for the consolidation of IT resources.

Strategic Outcome: Advancements in science and technology, knowledge and innovation strengthen the Canadian economy

4. Variances under the Science, Technology and Innovation Capacity program are normal fluctuations due to changes in approved funding of grants and contributions programs. The variance between Planned and Actual Spending reflects additional funding received during the year for the Institute for Quantum Computing and Mitacs Inc., as well as the reduction in statutory funding for Genome Canada.

5. The variance between Planned and Actual Spending is mainly due to program demand being lower than expected and approved internal transfers from the Strategic Aerospace Defense Initiative (SADI) to the Northern Ontario Development Program (NODP), Mitacs Inc. and Youth Internships. Further information is available under the Industrial Research and Development Financing program and its sub-programs in Section II of this report.

Strategic Outcome: Canadian businesses and communities are competitive

6. The variance between Planned and Actual Spending reflects a decrease in the number of claims received and payments made for defaulted loans under the Canada Small Business Financing Program, driven primarily by a reduction in the number of loans made in recent years.

7. The variance between Planned Spending and Total Authorities Available for Use reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave).

8. The variance between Planned and Actual Spending reflects an internal transfer from SADI to NODP and Youth Internships. It also includes additional funding received during the year for Computers for Schools, the Computers for Schools – Technical Work Experience Program and Connecting Canadians.

Internal Services

9. The variances between the Main Estimates and Planned Spending, Total Authorities Available for Use and Actual Spending under Internal Services appear each year, and are due, in part, to the Department's funding model, whereby a large portion of its core budget comes from repayments and royalties received for support provided under former contribution programs. This portion varies from year to year, and is accessed annually through Supplementary Estimates; it is never reflected in the Main Estimates.

   The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and internal reallocations for the consolidation of IT resources.

Total

10. The variance in Planned Spending from 2014–15 to 2015–16 is mainly due to new funding provided in 2014 for the Connecting Canadians program.

Further information is available in the Analysis of Programs and Sub-Programs by Strategic Outcome section of this report.

Alignment of Spending With the Whole-of-Government Framework

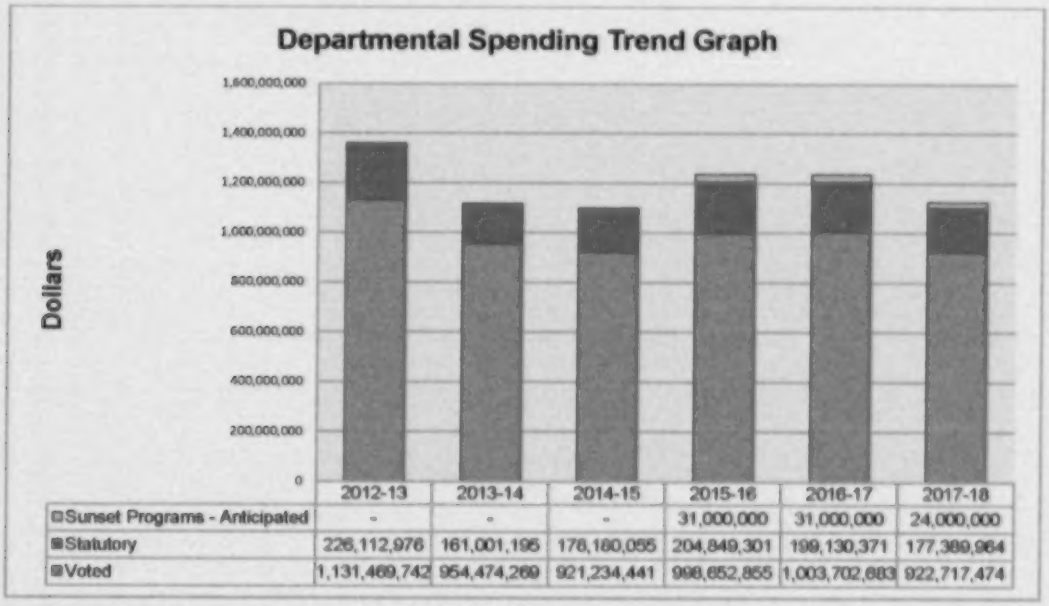
Alignment of 2014–15 Actual Spending with the Whole-of-Government Framework[3] (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2014–15 Actual Spending
The Canadian marketplace is efficient and competitive	Marketplace Frameworks and Regulation	Economic Affairs	A fair and secure marketplace	50,785,898
	Marketplace Competition and Investments	Economic Affairs	A fair and secure marketplace	48,628,660
	Spectrum, Telecommunications, and the Online Economy	Economic Affairs	A fair and secure marketplace	123,580,591
Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy	Science, Technology and Innovation Capacity	Economic Affairs	An innovative and knowledge-based economy	313,406,524
	Industrial Research and Development Financing	Economic Affairs	An innovative and knowledge-based economy	220,998,346
Canadian businesses and communities are competitive	Small Business Research, Advocacy and Services	Economic Affairs	Strong economic growth	91,428,836
	Industrial Competitiveness and Capacity	Economic Affairs	Strong economic growth	31,303,195
	Community Economic Development	Economic Affairs	Strong economic growth	83,737,928

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending (excluding Internal Services)
Economic Affairs	1,004,695,380	963,869,978
Social Affairs	0	0
International Affairs	0	0
Government Affairs	0	0

Departmental Spending Trend



	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Sunset Programs - Anticipated	-	-	-	31,000,000	31,000,000	24,000,000
Statutory	226,112,976	161,001,195	176,180,055	204,849,301	199,130,371	177,389,964
Voted	1,131,469,742	954,474,269	921,234,441	998,652,855	1,003,702,683	922,717,474

Sunset programs for which renewed funding is anticipated include CANARIE Inc., Futurpreneur Canada (ending in 2016–17) and Council of Canadian Academies.

The variance in Planned Spending from 2014–15 to 2015–16 is mainly due to new funding provided in 2014 for the Connecting Canadians program.

Estimates by Vote

For information on Industry Canada's organizational Votes and statutory expenditures, consult the *Public Accounts of Canada 2015* on the Public Works and Government Services Canada website.[4]

Section II: Analysis of Programs by Strategic Outcome

Strategic Outcome: The Canadian marketplace is efficient and competitive

Industry Canada fosters competitiveness by developing and administering economic framework policies that promote competition and innovation, support investment and entrepreneurial activity, and instil consumer, investor and business confidence in the marketplace.

Program—Marketplace Frameworks and Regulation

Description

This program regulates and provides oversight over a number of aspects of the Canadian marketplace, including trade measurement, insolvency, corporate governance including federal incorporation, competition, intellectual property, market access and consumer affairs. The program develops and administers framework statutes, regulations, policies and procedures; develops, sets and assures compliance with related regulatory reforms and standards; and consults with a variety of stakeholders and portfolio organizations. Overall, the program benefits Canadian businesses and consumers by ensuring the integrity of the marketplace.

Budgetary Financial Resources—Marketplace Frameworks and Regulations (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
54,391,487	54,391,487	226,588,256	50,785,898	(3,605,590)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,770	1,699	(71)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Regulatory time frames and service standards are met	Average percentage of regulatory timeframes or service standards met	91%	96%
Canadian marketplace frameworks and regulations are effective by international standards	Canada's rank among G7 countries in effectiveness of marketplace frameworks and regulations for starting a business, resolving insolvencies and intellectual property	1st	3rd

Performance Analysis—Marketplace Frameworks and Regulation

On August 1, 2014, the *Fairness at the Pumps Act* (which amended the *Electricity and Gas Inspection Act* and the *Weights and Measures Act)* and associated regulatory amendments came into force. The amendments increased court-imposed fines and introduced mandatory inspection frequencies for gas pumps, scales and other types of measuring devices, and administrative monetary penalties to address instances of non-compliance.

Amendments to the *Trade-marks Act*, the *Patent Act* and the *Industrial Design Act* received Royal Assent in 2014–15. These amendments will better align Canada's intellectual property (IP) framework with international practices and enable Canada's accession to various international IP treaties. The Department also continued to improve transparency in the administration of IP rights in Canada, help small- and medium-sized enterprises select the right IP protection for them and reduce red tape by improving operations and decreasing the overall turnaround time for issuing IP rights.

The Department participated in the Organisation for Economic Co-operation and Development Committee on Consumer Policy to guide future revisions of the *Guidelines for Consumer Protection in the Context of Electronic Commerce*, contributing to two policy guidance documents related to electronic commerce.

The 2014–15 Total Authorities Available for Use largely reflects the Intellectual Property sub-program, which includes surpluses accumulated by the Canadian Intellectual Property Office (CIPO) since its creation in 1994. CIPO is an organization within the Department that is funded entirely from the revenues it generates. The intent is not to spend the accumulated surplus portion in any single year, but to draw from it when needed (e.g., CIPO IT Modernization Program).

Canada ranked first among G7 countries in effectiveness of marketplace frameworks and regulations for starting a business and intellectual property, but sixth in resolving

insolvencies, based on the resolution of one hypothetical case, leading to an average ranking of third.

Sub-Program—Trade Measurement

Description

This program ensures the integrity and accuracy of measurement-based financial transactions and has sole federal jurisdiction for the administration and enforcement of the laws governing trade measurement in Canada: the *Weights and Measures Act* and Regulations and the *Electricity and Gas Inspection Act* and Regulations. It protects Canadians against loss due to inaccurate measurement at all levels of trade and maintains domestic and international consumer and business confidence in the accurate measurement of goods and services bought and sold on the basis of measure, by ensuring scales, gas pumps, electricity and natural gas meters and other measuring devices used in Canada meet legislative standards for accuracy and performance. This program develops trade measurement policy, investigates measurement practices in the Canadian marketplace and compels corrective actions when unfair or improper practices are found.

Budgetary Financial Resources—Trade Measurement (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
30,179,545	31,350,026	1,170,481

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
295	276	(19)

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Accurate trade measurement in Canada	Percentage of marketplace monitoring inspections where devices are found to be measuring accurately	85%	87%
	Percentage of Measurement Canada product and surveillance audits which confirm authorized service providers' competencies to conduct inspections on the agency's behalf	90%	94%

Performance Analysis—Trade Measurement

On August 1, 2014, amendments to the Weights and Measures Regulations came into force, introducing mandatory inspection frequencies in the retail petroleum, retail food, dairy, mining, forestry, fishing, field and grain crops and wholesale petroleum sectors. Industry Canada is phasing in the mandatory inspection requirements over a two- to three-year period, based on the postal code of the device's location. Private sector companies authorized by Measurement Canada will perform the inspections.

Industry Canada posted information on its website for device owners to understand their new legal obligations, comply with the requirements and learn about the consequences of non-compliance.[3] The Department also created interactive online tools so owners can determine when their devices are due for inspection and find an authorized service provider qualified to perform the mandatory inspection.

In 2014–15, Measurement Canada inspectors and authorized service providers visited device owners to advise them of the new requirements and how to comply. The Department will continue developing informational materials to improve device owner awareness of new legal obligations, as well as court-imposed fines and administrative monetary penalties for non-compliance.

The variance between Planned and Actual FTEs reflects difficulties in staffing inspector positions due to a highly competitive job market for individuals with technical skills and experience in the measurement sciences.

Sub-Program—Bankruptcy and Insolvency

Description

This program supervises the administration of estates and matters under the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act* through the Office of the Superintendent of Bankruptcy, which operates as a vote net revenue organization

whose activities are supported in part by user fees. It protects the integrity of the bankruptcy and insolvency system by maintaining an efficient and effective insolvency regulatory framework, promoting awareness of the rights and responsibilities of stakeholders, ensuring compliance with the legislative and regulatory framework, by being an integral source of information on Canadian insolvency matters, and by developing policy.

Budgetary Financial Resources—Bankruptcy and Insolvency (dollars)

2014-15 Planned Spending	2014-15 Actual Spending	2014-15 Difference (actual minus planned)
5,502,869	7,909,285	2,406,295

Human Resources (FTEs)

2014-15 Planned	2014-15 Actual	2014-15 Difference (actual minus planned)
380	379	(1)

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Estates and matters are administered in accordance with insolvency legislation	Percentage of trustees with a satisfactory level of compliance	90%	94.2%
	Percentage of enquiries and complaints responded to within service standards	85%	92.2%

Performance Analysis—Bankruptcy and Insolvency

In 2014-15, Industry Canada, through the Office of the Superintendent of Bankruptcy (OSB), developed the trustee component of the new risk-based compliance framework. This work is part of the multi-year implementation of the framework, which sets out compliance programs for trustees, debtors, receivers, creditors and monitors.

To improve the consistency and quality of the services the OSB provides, the Department implemented an improved complaints and enquiries information technology application as well as an updated self-serve monitoring and reporting tool.

Industry Canada carried out a public consultation as part of the statutory review of the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*. The ensuing report, *Fresh Start: A Review of Canada's Insolvency Laws*, was tabled in

Parliament on October 21, 2014.[9] The consultation revealed that Canada's insolvency laws respond well to the needs of Canadian consumers and businesses, and did so particularly following the 2008 economic downturn. Stakeholders also noted that Canada must ensure that these laws evolve to meet the needs of individual Canadians and respond to changes in both the Canadian economy and the global marketplace.

The figures in the financial resources table above represent the net spending for the OSB, which is the difference between expenses and revenues. The variance between Planned Spending and Actual Spending reflects in-year costs related to pay list requirements to meet the legal obligations of the employer (e.g., parental leave).

Sub-Program—Federal Incorporations

Description

This program allows Canadians and businesses (with the exception of financial institutions) to incorporate at the federal level in accordance with the *Canada Business Corporations Act*, the *Boards of Trade Act*, the *Canada Cooperatives Act* and the *Canada Not-for-profit Corporations Act* or to carry out transactions under the *Canada Corporations Act*. It also issues and registers official documents under the Great Seal of Canada. The program's main lines of business include incorporation and related services (such as amalgamation or corporate charter amendments), dissolution of corporations, rulings on the use of corporate names, collection and dissemination of information on federal companies, compliance and enforcement activities related to the statutes it administers and development of incorporation policy and regulations. The activities of this program are supported in part by user fees. The program's activities directly affect Canadian businesses, not-for-profit organizations and other corporate entities.

Budgetary Financial Resources—Federal Incorporations (dollars)

2014-15 Planned Spending	2014-15 Actual Spending	2014-15 Difference (actual minus planned)
1,892,893	3,192,893	1,899,973

Human Resources (FTEs)

2014-15 Planned	2014-15 Actual	2014-15 Difference (actual minus planned)
62	65	3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federally incorporated companies are compliant with corporate laws and regulations	Percentage of federally incorporated corporations that comply with statutory annual filing requirements	80%	85%
Businesses have timely access to incorporations and information services	Percentage of published Corporations Canada service standards that are met or exceeded	81%	85%
Services are delivered to businesses electronically	Percentage of transactions that are completed online	80%	Certificate of Incorporations: 49% Annual Returns: 68%

Performance Analysis – Federal Corporations

In 2014–15, Industry Canada worked to develop a replacement for NUANS, the corporate name search tool used by the federal government and several provinces and territories. However, due to a procurement delay, the launch of the new platform has been deferred to 2015–16.

The Department held consultations with key stakeholders on providing an online option for corporations seeking to amalgamate. In November 2014, Industry Canada implemented this service for registered intermediaries, who perform various corporate services on behalf of corporations.

Based on its analysis of the results of the consultations on corporate governance issues under the *Canada Business Corporations Act*, the Department developed a targeted package of reforms on common issues.

The figures in the financial resources table above represent the net spending for Corporations Canada, which is the difference between expenses and revenues. The variance between Planned and Actual Spending reflects additional funding received through the Supplementary Estimates to access royalties collected for the use of NUANS.

Sub-Program—Intellectual Property

Description

This program develops Canada's intellectual property policy and administers its system of intellectual property (IP) rights, namely patents, trademarks, copyrights, industrial designs and integrated circuit topographies. The Canadian Intellectual Property Office (CIPO), which operates under a revolving fund supported by user fees, assigns, grants and registers IP rights, legally recognizing certain endeavours of originality and creativity. It also disseminates information related to these rights to businesses, educational institutions and Canadians. This program represents Canada's IP interests internationally and ensures that IP policy supports innovation, competitiveness and economic growth and that the benefits of the IP system accrue to Canadians. Its clients include Canadian and foreign applicants for IP protection, users of IP information and the Canadian business community.

Budgetary Financial Resources—Intellectual Property (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
11,358,978	2,479,122	(8,879,856)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
986	926	(60)

Performance Results

Expected Result	Performance Indicator	Targets	Actual Results
Timely administration of intellectual property rights	Average number of months taken from the submission date to the registration / grant of intellectual property rights	Industrial Design Filings: 10.8 months	11.8 months
		Patent Filings: 49.7 months	40.3 months
		Trade-mark Filings: 27.3 months	28.7 months

Performance Analysis—Intellectual Property

In 2014–15, amendments to the *Trade-marks Act*, the *Patent Act* and the *Industrial Design Act* received Royal Assent. These amendments help better align Canada's IP framework with international practices and will allow Canada to accede to various international IP treaties. For example, accession to the trade-mark treaty will make it possible for a company to obtain protection for trade-marks in a number of countries by filing a single international application in a single language and currency with the International Bureau of the World Intellectual Property Organization, reducing paperwork and business costs.

Regulatory changes to Canada's Access to Medicines Regime and to the Patented Medicines (Notice of Compliance) Regulations were published in 2014–15. In addition, the *Combating Counterfeit Products Act* received Royal Assent and is now in force.

As part of its effort to improve transparency in the administration of IP rights in Canada, the Department conducted a comprehensive assessment of the data available on the CIPO website. The focus of the consultation was on enhancing the database search functionalities to continue improving access to IP data.

In 2014–15, the Department began developing new and innovative tools for small- and medium-sized enterprises (SMEs), including a seminar and tool to guide them as they develop their IP strategy and an online assessment tool to help them select the right IP protection.

In implementing the LEAN process improvement methodology, CIPO continued to reduce red tape by improving its operations and decreasing the overall turnaround time for issuing IP rights. In particular, CIPO improved the application intake and fee validation process, reducing the lead time from 14 days to 48 hours and performing quality control on all new files (versus 50 percent, previously). These improvements will help Canada's businesses access international markets, lower costs and draw foreign investment to Canada.

The target turnaround time for patent filings was set using an average of the results from the previous five years. The actual improvement for 2014–15 was from 42.7 months in the previous year to 40.3 months. The turnaround time for industrial design filings was higher than expected, as CIPO implemented a first-in-first-out approach to processing applications. Consequently, the processing of older, complex files increased the average turnaround time. The turnaround time for trade-mark filings was higher than the target because, under the current legislation, applicants have three years from the date of filing of their application to provide a declaration of use. This requirement has been amended, so turnaround time should improve once the amendment comes into force, following public consultations. Under the new legislation, applicants will no longer need to provide a declaration of use before proceeding to registration.

The variance between Planned and Actual Spending is the result of net requirements for CIPO being lower than expected, primarily due to a delay in the investments required to upgrade CIPO's IT infrastructure.

The variance between Planned and Actual FTEs is mainly due to the consolidation of IT resources under Internal Services.

Sub-program—Market Access

Description

This program provides policy, administrative and operational support and advice to the Minister of Industry, the Committee on Internal Trade, its Chair, and other committees or working groups established under the Agreement on Internal Trade (AIT) or by the committee across the federal, provincial and territorial governments. The purpose of the AIT is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services and investment within Canada and to establish an open, efficient and stable domestic market. This program also provides policy advice on bilateral, regional, plurilateral and multilateral initiatives, including regulations and standards, impacting Canadian companies' access to global markets and the development of international marketplace framework policies. This program uses funding from the following transfer payment: Internal Trade Secretariat Corporation.

Budgetary Financial Resources—Market Access (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,554,878	2,524,942	970,064

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
9	16	7

Performance Results

Expected Result	Performance Indicator	Target	Actual Result
Decision makers have access to informed analysis on domestic and international trade matters affecting the competitiveness of Canadian industries	Number of collaborative research or policy initiatives started or maintained	3	3 (Canada–EU Comprehensive Economic and Trade Agreement, the Trans-Pacific Partnership and the AIT)

Performance Analysis—Market Access

In 2014–15, Industry Canada supported three collaborative research or policy initiatives, including providing policy advice to support the negotiations for the Canada–EU Comprehensive Economic and Trade Agreement (which were completed in August 2014) and the Trans-Pacific Partnership, as well as various other bilateral trade negotiations.

Additionally, the Department worked with provincial and territorial partners to support the renewal of Canada's internal trade framework, the Agreement on Internal Trade. *One Canada, One National Economy: Modernizing Internal Trade in Canada* was published, laying out guiding principles for modernizing the current Agreement on Internal Trade.[8]

To assess the extent of trade barriers across Canada, Industry Canada initiated the creation of a new Internal Trade Barriers Index. The index will play a key role in identifying measures that currently restrict trade within Canada. It will also help develop a clear understanding of areas in which governments, businesses and organizations should focus reforms and policy efforts to make it easier for goods to flow across Canada.

Industry Canada supported four new projects to demonstrate the benefits of free trade within Canada:

- The Consumers Council of Canada will identify ways in which consumer groups can harmonize trade among the provinces and territories.
- Option consommateurs will examine means of improving Canadians' views on consumer protection safeguards across Canada.
- The Public Interest Advocacy Centre will work with Canadians to determine how a new internal trade agreement could amend the dispute resolution and enforcement regimes to include direct access for consumers.
- Union des consommateurs will identify best practices in the European Union and Australia for addressing internal trade barriers and how similar barriers can be broken down in Canada.

The variance between Planned and Actual Spending reflects in-year reallocations of funding for an initiative to reduce barriers to internal trade.

The variance between Planned and Actual FTEs reflects a strengthening of the Department's capacity to deliver on internal trade priorities in Canada. The increase in resources supported the advancement of federal priorities through internal trade negotiations and the delivery of research and engagement activities as part of an initiative to reduce barriers to internal trade.

Sub-program—Consumer Affairs

Description

This program promotes the interests and protection of Canadian consumers, to enable them to be effective marketplace participants. It supports both policy development and intergovernmental harmonization of consumer protection rules and measures, nationally and internationally. It contributes to effective consumer protection through collaboration with provincial and territorial consumer protection agencies, under Chapter 8 of the Agreement on Internal Trade. It identifies important consumer issues and develops and disseminates consumer information and awareness tools. The program encourages consumer organizations to reach financial self-sufficiency, which assists them in providing meaningful, evidence-based input to public policy in the consumer interest. This program uses funding from the following transfer payment: Program for Non-profit Consumer and Voluntary Organizations.

Budgetary Financial Resources—Consumer Affairs (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
4,702,406	4,323,862	(378,544)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
18	18	–

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Citizens are aware of consumer issues in the Canadian marketplace	Number of visitors accessing consumer information from Industry Canada	1.2 million	1,805,567
Decision makers have access to informed analysis on issues affecting Canadian consumers	Number of collaborative research or policy initiatives started or maintained	3	4
	Number of times Industry Canada-supported analysis conducted by consumer organizations contributes to public policy discussions or media coverage	12	14

Performance Analysis—Consumer Affairs

In 2014–15, Industry Canada supported the Canadian Standards Association's ballot for the national adoption of the new CAN/CSA-ISO 1008 standard, which will provide guidance to businesses on business-to-consumer electronic commerce transactions. It should also improve consumer confidence in engaging in e-commerce transactions.

The Department participated in the Organisation for Economic Co-operation and Development Committee on Consumer Policy to guide future revisions of the *Guidelines for Consumer Protection in the Context of Electronic Commerce*. In 2014–15, the Department contributed to two policy guidance documents related to electronic commerce: *Consumer Policy Guidance on Mobile and Online Payments* and *Consumer Policy Guidance on Intangible Digital Content Products*.

Working with the Consumer Measures Committee, Industry Canada organized a meeting of federal, provincial and territorial consumer deputy ministers in September 2014. The deputy ministers directed the committee to carry out work on data sharing, enforcement and compliance of consumer protection legislation, payday lending, consumer awareness and electronic commerce.

Prior to Canada's Anti-Spam Legislation coming into force on July 1, 2014, Industry Canada worked with the Canadian Radio-television and Telecommunications Commission and the Office of the Privacy Commissioner to make information and awareness tools available to consumers, organizations and businesses through fightspam.gc.ca. In June and July 2014, 415,380 visitors accessed fightspam.gc.ca.

In 2014-15, 17 research projects were funded under Industry Canada's Contributions Program for Non-profit Consumer and Voluntary Organizations, including four to examine consumer issues surrounding internal trade.[9] These projects are listed above under the Market Access sub-program.

The variance between Planned and Actual Spending reflects unused funding from the Program for Non-profit Consumer and Voluntary Organizations.

Program—Marketplace Competition and Investments

Description

This program applies federal laws relating to the investigation of anti-competitive conduct and the general regulation of trade and commerce in respect of business practices, including the review of mergers and significant foreign investments. It protects, promotes and advocates for efficient markets in a manner that encourages economic growth and innovation, providing consumers and businesses with competitive prices and increased product choices.

Budgetary Financial Resources—Marketplace Competition and Investments (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
46,211,463	46,211,463	49,501,679	48,628,660	2,417,197

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
377	384	7

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Consumers benefit from a competitive marketplace	Estimated dollar savings per annum to consumers from Bureau actions that stop anti-competitive activity	$225 million	$950,169,365
Timely and accurate reviews lead to marketplace certainty	Percentage of mergers and foreign investments reviewed within service standards	Non-Complex Reviews: 90% Complex Reviews: 85%	Non-Complex Reviews: 98.82% Complex Reviews: 90.91%

Performance Analysis—Marketplace Competition and Investments

In 2014–15, Industry Canada, through the Competition Bureau and the Investment Review Branch, continued to identify and introduce efficiencies to its operations to provide thorough analysis of mergers and foreign investments, with the goal of improving marketplace certainty.

The Bureau reviewed mergers of all sizes and in all sectors of the economy, as mandated by the *Competition Act*, to ensure that they would not result in a substantial lessening or prevention of competition.

The Bureau surpassed its target for estimated savings for consumers in 2014–15, largely due to the conclusion of a consent agreement that produced savings of more than $875 million per year.

The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and an internal reallocation of funds to cover the increase in the cost of legal services.

Sub-program—Competition Law Enforcement

Description

This program is responsible for the administration and enforcement of the *Competition Act*, the *Consumer Packaging and Labelling Act*, the *Textile Labelling Act* and the *Precious Metals Marking Act*. The Competition Bureau is an independent law enforcement agency whose activities are supported in part by user fees. It protects and promotes competitive markets by detecting, disrupting and deterring anti-competitive conduct, false or misleading representations and deceptive marketing practices. The Competition Bureau also reviews merger transactions to ensure their compliance with the *Competition Act*. This program is also responsible for providing advice to legislators and policy-makers and intervening or making representations before federal and provincial

boards, commissions and tribunals, to encourage competition to achieve policy or regulatory objectives.

Budgetary Financial Resources—Competition Law Enforcement (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
44,006,593	46,621,232	2,614,639

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
363	369	6

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Deterrence of conduct contrary to the Competition Act	Estimated dollar value per annum associated with deterrence resulting from Bureau enforcement actions	$17 million	$20,758,085
Consumers benefit from information enabling them to make informed choices	Competition Bureau information products accessed	5,465 media hits	11,019 media hits
	Audience reached through mainstream and social media	234.2 million	425 million

Performance Analysis—Competition Law Enforcement

In 2014–15, the Bureau placed more emphasis on its competition promotion efforts, including actively encouraging businesses, consumers, regulators, government and international partners to adopt pro-competition positions, policies and behaviours. The Bureau also provided economic analysis in support of efforts to enforce the *Competition Act* and related statutes.

The Bureau also combatted cartels, protected Canadians from businesses abusing their dominant position and addressed cases in which false or misleading representations and deceptive marketing practices occurred. For example, the Bureau continued its work to protect consumers from anti-competitive practices in the water heater industry. A consent agreement was also reached with Rogers Communications Inc. to cease billing for

premium text messaging services unless customers approve the charges and to refund consumers who were previously charged for these services.

The Bureau revised its methodology for calculating the number of information products accessed, resulting in an apparent increase in coverage. The target will be revised for future years.

The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet the legal obligations of the employer (e.g., parental leave) and an internal reallocation of funds to cover the increase in the cost of legal services.

Sub-program—Investment Review

Description

This program implements the provisions of the *Investment Canada Act* by ensuring that the Minister of Industry has the information needed to determine whether a significant foreign investment is likely to be of net benefit to Canada and/or whether there are reasonable grounds to believe that an investment could be injurious to national security. This is accomplished by developing investment policy, processing notifications filed by investors, and reviewing transactions within the scope of the Act.

Budgetary Financial Resources—Investment Review (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
2,204,870	2,007,428	(197,442)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
14	15	1

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Timely processing of foreign investment notifications and applications for review filed by foreign investors under the Investment Canada Act	Median time required to certify notifications	5 days	2.4 days
	Median time required to process applications	70 days	72 days

Performance Analysis—Investment Review

In 2014–15, Industry Canada received and certified 704 notifications filed by foreign investors.

The Department also provided the Minister with the information required to help him determine the likely net benefit to Canada of various proposed investments. In 2014–15, the Minister approved 15 applications for review.

The median time required to certify notifications was lower than expected due to the impact of enhanced automation on the preparation of certification letters and reports.

Program—Spectrum, Telecommunications, and the Digital Economy

Description

This program enables Canadians to benefit from a globally competitive digital economy that drives innovation, productivity and future prosperity. This includes developing and administering domestic regulations, procedures and standards that govern Canada's radiocommunication and telecommunications industries. The program sets legislative and policy frameworks to encourage competition, private sector investment in digital infrastructure, confidence in the online marketplace, and greater adoption of digital technologies by business. The program maximizes the public benefits of spectrum by managing it efficiently and effectively, through spectrum and radio licensing including auctions, compliance and enforcement. The program protects Canadian interests in the telecommunications industry globally and facilitates international online trade and commerce by negotiating international treaties and agreements. This program also performs research in advanced telecommunication and information technologies to promote innovation and assist in the development of policies, regulations and program delivery.

Budgetary Financial Resources—Spectrum, Telecommunications, and the Digital Economy (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
114,149,657	114,149,657	125,254,348	123,580,591	9,430,934

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
884	800	(84)

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Canada has a growing digital economy	Investment by telecommunications providers	$8 billion	$9.2 billion (2013)
	Percentage of population with broadband subscriptions (1.5 Mbps and higher)	77%	79% (2013)

Performance Analysis – Spectrum, Telecommunications, and the Digital Economy

In 2014–15, the Department advanced policies that support competition in an effort to give Canadians more choice, lower prices and better service in the wireless market. For example, the Department prepared to auction spectrum in the 2500 MHz band to help foster more competition in the telecommunications sector.

The Department launched the Digital Canada 150 strategy built around five pillars: connecting Canadians, protecting Canadians, economic opportunities, digital government, and Canadian content. The strategy promotes a vibrant and competitive telecommunications industry.[iii]

The difference between the target and result for the investment by telecommunications providers varies depending on where individual firms stand on the technology deployment cycle, their business strategies and other factors.

The variance between Planned and Actual Spending reflects ex-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and additional funding received during the year for the Spectrum Application Modernization project, the Communications Research Centre, the International Telecommunications Union (to address currency fluctuations) and the Canadian Open Data Experience, as well as other minor adjustments. It also reflects the consolidation of IT resources under Internal Services.

The variance between Planned and Actual FTEs is mainly due to the consolidation of IT resources under Internal Services.

Sub-program – Spectrum and Telecommunications Policy and Legislation

Description

This program develops legal and policy frameworks in the areas of spectrum, telecommunications, privacy protection and online security. It promotes the efficiency and adaptability of the Canadian digital economy by regulating commercial conduct and

discouraging misconduct in the use of electronic means to carry out commercial activities and by working with the private sector to remove barriers to the use of e-commerce. The program works with international organizations to promote and protect Canadian interests in international discussions, agreements and treaties and to negotiate standards. The program works to update or create legislation as information and communications technologies and their use evolve. It develops policy in support of the Personal Information Protection and Electronic Documents Act (PIPEDA), Canada's Anti-Spam Legislation, the Telecommunications Act and the Radiocommunication Act. This program uses funding from the following transfer payment: International Telecommunication Union, Geneva, Switzerland through an annual assessed contribution.

Budgetary Financial Resources—Spectrum and Telecommunications Policy and Legislation (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
13,213,359	14,255,855	942,947

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
62	57	(5)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
International treaties and agreements reflect Canada's spectrum and telecommunications interests	Percentage of Canadian objectives achieved at ITU meetings or through other international agreements	60%	90%
Decision makers have access to informed analysis on legal and policy frameworks in the areas of spectrum, telecommunications, privacy protection and online security	Number of consultations on the development and implementation of the Government of Canada's spectrum and telecommunications priorities	15	13

Performance Analysis—Spectrum and Telecommunications Policy and Legislation

Amendments to the Telecommunications Act were passed in June 2014 and set the average retail rate as the limit for how much one carrier can charge another for roaming

services. Amendments to the *Radiocommunication Act* received Royal Assent on December 10, 2014, and established administrative monetary penalties for non-compliance with the Act. The Department also launched a webpage for stakeholders containing information about complying with the Act.

The *Digital Privacy Act* received Royal Assent on June 18, 2015 and amends the *Personal Information Protection and Electronic Documents Act* (PIPEDA) to protect and empower consumers, clarify and streamline rules for businesses and increase compliance with PIPEDA. In particular, it adds new requirements for organizations to report potentially harmful data breaches, enhances privacy protection for vulnerable groups, such as minors, and allows for limited information sharing when it is in the public interest, such as to detect financial abuse or to communicate with the parents of an injured child. Strengthening PIPEDA to better protect Canadians' online privacy was a key element of Digital Canada 150.

Most sections of Canada's Anti-Spam Legislation – including those dealing with commercial electronic messages that are sent without consent (spam) and unwanted software (malware) – came into force in 2014-15. Industry Canada worked with enforcement agencies to educate and raise awareness about the new legislation, made guidance and educational materials available through fightspam.ca and oversaw the launch of the Spam Reporting Centre.

Canada achieved its key objectives to further promote Canadian telecommunication interests at the International Telecommunications Union Plenipotentiary Conference 2014. The Department established these objectives in consultation with the Department of Foreign Affairs, Trade and Development, Public Safety Canada and private sector stakeholders and in coordination with like-minded countries, including Canada's partners in the Americas. Industry Canada also prepared for the World Radiocommunication Conference 2015 by seeking input from the private sector and other government departments on proposals and positions Canada would take to the conference reflecting Canadian priorities and interests.

Industry Canada continued its work across government and with key national and international stakeholders to protect the Canadian economy from online threats and improve Canadian cyber security.

The variance between Planned and Actual Spending reflects additional funding received during the year for the International Telecommunications Union (to address currency fluctuations) and the Canadian Open Data Experience, a 48-hour coding competition to build the best application using federal government data.

Sub-program – Spectrum Management and Regulation

Description

This program leads the orderly and secure evolution of Canada's radio spectrum and telecommunications infrastructure and promotes competition through the development of a coherent and effective regulatory framework, the enforcement of domestic and

international requirements and the implementation of internationally negotiated standards and treaties. This provides telecommunication manufacturers and service providers with the favourable conditions they need to develop, introduce and market leading technologies and services. This program issues licences to use specific frequencies of the spectrum to businesses, organizations, and individuals, including on a first-come, first-served basis and through auctions. The program also provides authorizations for the use of spectrum and orbital resources for satellite systems. The program monitors and enforces compliance with licence conditions and regulations. To avoid interference and protect health and safety, this program verifies and monitors compliance with Canadian telecommunications equipment regulations and legislation. The program also plays a role in protecting critical infrastructure, in making spectrum available for first responders, in supporting the telecommunications industry in times of emergency, and in supporting cyber security initiatives. This program uses funding from the following transfer payment: Radio Advisory Board of Canada.

Budgetary Financial Resources—Spectrum Management and Regulation (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
68,145,167	73,330,825	5,185,658

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
587	542	(45)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canada has a modern spectrum management and telecommunications framework	Amount of spectrum available for commercial use	750 MHz	565 MHz
Canadians have timely access to radio frequency spectrum	Percentage of licence applications completed within service standards	90%	95%

Expected Results	Performance Indicators	Targets	Actual Results
	Percentage of radiocommunication interference investigations completed within service standards	90%	97%

Performance Analysis—Spectrum Management and Regulation

In March 2015, Industry Canada auctioned spectrum in the 1755–1780 MHz and 2155–2180 MHz (Advanced Wireless Services-3) bands, generating $2.1 billion in revenue. The Department also prepared for the 2500 MHz auction that will take place in April 2015 by publishing the list of qualified bidders and holding an information session with them to prepare participants for the actual event. Industry Canada undertook a consultation on repurposing the 600 MHz band and concluded consultations on the licensing approach for the 3500 MHz band. The 3500 MHz auction decision will lead to flexible use of the band, including by mobile services.

Based on the results of a public consultation, Industry Canada implemented changes to its process for siting new cellphone towers to ensure that citizens and the municipalities that represent them are engaged early in the process. The changes will strengthen the requirements for the wireless industry to consult with local residents, increase transparency for municipalities, and improve communications throughout the tower siting process.

In 2014–15, Industry Canada began to roll out modern spectrum application software. Through a more streamlined, automated process, the software enables new ways of issuing and managing radiocommunications licenses. Lessons learned from this initial release—including the need for early outreach to promote adoption and for improved communications—are being used to plan for and develop future releases. As per the Commercial Mobile Spectrum Outlook published in 2013, Industry Canada's target is to have 750 MHz of spectrum allocated to commercial mobile by the end of 2017.[11] Plans are in place to meet that target.

In 2014–15, Industry Canada conducted regular meetings with the Toronto 2015 Pan and Parapan American Games staff and critical public safety clients to discuss radio spectrum requirements for this event.

The variance between Planned and Actual Spending reflects additional funding provided for the Spectrum Application Modernization project and other spectrum management equipment, as well as in-year costs related to paylist requirements to meet legal obligations of the employer (e.g., parental leave), which is offset by internal reallocations to consolidate IT resources.

The variance between Planned and Actual FTEs is mainly due to the consolidation of IT resources in Internal Services.

Sub-program—Communications Technologies Research and Innovation

Description

This program conducts research on advanced wireless communications systems and technologies primarily to support the development of public policy and services for Industry Canada. Research projects involve a combination of in-house activities and partnerships with other government departments, industry and academic organizations. The research performed provides insight into wireless technologies, which assists in the development of communications policies, regulations and program delivery, provides support to critical government operations, and establishes ties with industry and academia to facilitate future collaboration and promote innovation in this area.

Budgetary Financial Resources—Communications Technologies Research and Innovation (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
32,791,482	36,193,811	3,402,329

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
235	202	(33)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Industry Canada policy-making and program development sectors are provided with the scientific information they need to make well-informed decisions on new communications technologies	Number of new and emerging communications technologies for which the Communications Research Centre Canada (CRC) has provided advice/input to Industry Canada for policy, standard and regulation development and for contributions to international fora (i.e., International Telecommunication Union)	10	12

Expected Results	Performance Indicators	Targets	Actual Results
CRC intellectual property and technology are shared between CRC and Canadian companies	Number of collaborative research projects with Canadian companies	5	7
Canadian government departments and agencies (Department of National Defence, Canadian Radio-television and Telecommunications Commission, Canadian Space Agency) are provided with the information they need to make well-informed decisions on new communications technologies	Number of collaborative projects for other government departments to conduct research and testing on communications technologies	15	18

Performance Analysis—Communications Technologies Research and Innovation

In 2014–15, Industry Canada focused on wireless spectrum research and development activities to support spectrum management policy, program and regulatory development.

The Department identified three Grand Challenge research projects, which aim to demonstrate strategic technological capabilities or prove innovative concepts in support of Industry Canada's objectives to optimize the use of publicly owned wireless airwaves, and to foster innovation:

- Spectrum Environment Awareness, which examines real-time spectrum utilization data and analytics to improve understanding of spectrum use and enable its more effective use;
- Breaking the Frequency Barrier, which exploits spectrum above 6 GHz to address the growing demand for broadband mobile communications; and
- Better Use of Spectrum, which promotes techniques such as spectrum sharing and dynamic spectrum access to enable available spectrum to support more wireless telecommunications services.

The Department continued to perform research and development in collaboration with other government departments and industry, providing advice on communications technologies in support of their critical requirements and leveraging the collaboration whenever possible to meet Industry Canada's needs.

The variance between Planned and Actual Spending reflects additional funding provided to accelerate project activities related to the Shirleys Bay Campus modernization, in-year costs related to paylist requirements to meet legal obligations of the employer (e.g.,

parental leave) and additional funding received through Supplementary Estimates for royalties collected from intellectual property revenue, which is offset by internal reallocations to consolidate IT resources.

The variance between Planned and Actual FTEs is mainly due to the consolidation of IT resources under Internal Services.

Strategic Outcome: Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Program—Science, Technology and Innovation Capacity

Description

This program sets the strategic direction for policies and programs that support and stimulate research, development and innovation in Canada. In collaboration with Industry portfolio partners, other government departments and external stakeholders from the private and public sectors, the program fosters an environment that is conducive to innovation and promotes scientific excellence.

Budgetary Financial Resources—Science, Technology and Innovation Capacity (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
319,889,018	319,889,018	314,097,657	313,406,524	(6,482,494)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
75	70	(5)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canada's scientific research excellence is maintained	Canada's Average Relative Citation index	1.28	1.39 (2013 data)*
Researchers are attracted to Canada, and retained	Total full-time equivalent researchers in Canada per thousand total employment	8.4	8.8 (2012 data)*

* Most recent data available.

Performance Analysis—Science, Technology and Innovation Capacity

This program sets the strategic direction for the policies and programs that support and stimulate research, development and innovation in Canada. In 2014–15, Industry Canada helped update the federal Science, Technology and Innovation Strategy.

In the most recent data available from the Observatoire des sciences et des technologies, based on data from Thomson Reuters – Web of Science, Canada's Average Relative Citation (ARC) Index stood at 1.39. This means that the Canadian scientific research papers received more citations than the world average. The number of full-time equivalent researchers stood at 8.8 total full-time researchers per thousand people employed (Organisation for Economic Co-operation and Development, Main Science and Technology Indicators 2015–16).

The variance between Planned and Actual Spending reflects additional funding received during the year for the Institute for Quantum Computing and Mitacs Inc. It also reflects the reduction in statutory funding for Genome Canada. Variances under this program are normal due to changes in approved funding of grants and contributions programs.

Sub-program—Science and Technology Policy and Analysis

Description

This program supports science, technology and innovation (ST&I) by providing analysis and advice and developing policies and programs to improve Canada's research and development capacity and excellence in Canada's innovation system. This is accomplished through partnerships, consultation and collaboration with various stakeholders including the private sector, universities and colleges and their associations, provincial/territorial governments, foreign governments, and international organizations. This program also works closely with Industry Portfolio partners such as the National Research Council and the federal granting councils within the Industry Portfolio (the Natural Sciences and Engineering Research Council of Canada and the Social Sciences and Humanities Research Council of Canada) as well as other science-based departments and agencies to promote horizontal coordination of ST&I policies. This program also supports the activities of the Science, Technology and Innovation Council (STIC), an external advisory body that provides Ministers confidential advice on ST&I policy issues and publicly reports Canada's ST&I performance against international standards of excellence.

Budgetary Financial Resources—Science and Technology Policy and Analysis (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
6,470,872	6,015,140	(455,732)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
44	38	(6)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Engagement with key stakeholders in the development and implementation of the Government of Canada's science, technology, and innovation priorities	Number of ongoing consultations with the federal science and technology community, provincial governments, and national stakeholder organizations in the development and implementation of the Government of Canada's science, technology, and innovation priorities	20	21
A broader understanding of science underpins science and technology policy	Number of Council of Canadian Academies (CCA), Science, Technology and Innovation Council (STIC) and Organisation for Economic Co-operation and Development (OECD) reports underway with Industry Canada involvement that provide a basis for science and technology policy	15	31

Performance Analysis—Science and Technology Policy and Analysis

The updated ST&I strategy, *Seizing Canada's Moment: Moving Forward in Science, Technology and Innovation 2014*, was released on December 4, 2014.[12] This strategy, which resulted from more than 250 submissions, discussions and roundtable meetings with stakeholders, sets out a path for federal investments in the areas of science, technology and innovation over the coming years. The strategy aims to support research and infrastructure, talent and innovative firms. It encourages the research and business communities and various levels of government to work together to help make Canada a scientifically and technologically innovative nation. Industry Canada also worked with the granting agencies and Health Canada to develop and launch the new Canada First Research Excellence Fund (CFREF) in December 2014.

The variance in the number of Canadian Council of Academies, Science, Technology and Innovation Council and Organisation for Economic Co-operation and Development (OECD) reports that provide a basis for science and technology policy is due to an increase in the number of reports coming from the OECD (16 in 2014–15) that have informed Canadian policy-making.

The variance between Planned and Actual FTEs is related to an internal reorganisation of human resources to meet program demands.

Sub-program—Science and Technology Partnerships

Description

This program oversees implementation of science and technology programs delivered by the Department's Industry Portfolio partners. It manages federal funding agreements with arm's length organizations that support Canada's science, technology and innovation capacity. The program also conducts research and analysis in support of its oversight, governance and management responsibilities. It supports research, education and innovation in post-secondary institutions. It promotes a science and entrepreneurial culture and the development of a pool of talent in the science and technology industry. This program uses funding from the following transfer payments: Canada Foundation for Innovation, CANARIE Inc, Genome Canada, Perimeter Institute for Theoretical Physics, Mitacs Inc., Canadian Institute for Advanced Research and the Institute for Quantum Computing.

Budgetary Financial Resources—Science and Technology Partnerships (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
313,418,146	307,391,384	(6,026,762)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
31	32	1

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Science and technology partnerships exist between industry and academia	Dollars of cash and in-kind industrial and other contributions leveraged per dollar investment from granting councils' science and technology industry partnership programs for which Industry Canada sits on governance bodies	$2.00	$3.47
	Number of companies involved in granting councils' science and technology industry partnership programs for which Industry Canada sits on governance bodies	200	402
Federal programs are in place to support highly qualified researchers	Number of researchers including students supported by granting councils' science and technology "people advantage" programs for which Industry Canada sits on governance bodies	3,200	3,282

Performance Analysis—Science and Technology Partnerships

In 2014–15, Industry Canada continued to oversee federal investments in arm's-length organizations whose mandates include encouraging public-private research partnerships and supporting the advancement of science, technology, knowledge and innovation in Canada.

The Department participates in the governance of the Centres of Excellence for Commercialization and Research program, the Business-Led Networks of Centres of Excellence program, and Automotive Partnership Canada initiative. In 2014–15, these federal granting council programs attracted a total of $3.47 in cash and in-kind contributions for every dollar of federal funding and involved 402 companies in collaborative research projects.

The variance in the dollars leveraged reflects the success of the Centres of Excellence for Commercialization and Research in attracting significant industry contributions. The Business-Led Networks of Centres of Excellence has been particularly successful, involving 39 new companies in 2014–15.

The Department is also member of the governance bodies for the granting councils' "people advantage" programs: the Vanier Canada Graduate Scholarships, Banting

Postdoctoral Fellowships, Canada Research Chairs, Canada Excellence Research Chairs and Industrial Research and Development Internship program. These programs supported 3,262 students and researchers in 2014–15. The Department also worked with the federal granting councils and Health Canada to prepare for a third Canada Excellence Research Chairs competition, expected to be launched in 2016.

Industry Canada entered into a contribution agreement with Mitacs Inc. to help address the shortage of highly skilled research and development managers in Canadian companies and expand participation in Mitacs Inc. programming to eligible not-for-profit organizations. Industry Canada also entered into an agreement with the Institute for Quantum Computing at the University of Waterloo to carry out and commercialize leading-edge research in quantum technologies.

The variance between Planned and Actual Spending reflects a change in Genome Canada cash flow requirements due to project delays (the funding has been reprofiled to 2015–16), offset by new funding received in 2014–15 for Mitacs Inc. and the Institute for Quantum Computing.

Program—Industrial Research and Development Financing

Description

This program helps Canadian businesses increase research and development (R&D) activities by investing in innovative projects and collaborations through repayable and non-repayable contributions. Projects supported under this program are expected to produce benefits to Canada, including generating strategic R&D investment, developing new technologies and enhancing Canadian innovation capacity and expertise.

Budgetary Financial Resources—Industrial Research and Development Financing (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
282,634,343	281,398,343	266,607,114	220,999,346	(60,397,997)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
79	72	(6)

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Investment in leading-edge R&D in targeted Canadian industries	Dollar value to date of disbursements to firms for R&D activities	$4.27 billion*	$4.27 billion
	Dollars to date of investment leveraged per dollar of Industry Canada disbursements in R&D projects	SADI: $1.89 AIF: $8.55 TPC: $2.55	SADI: $1.87 AIF: $7.04 TPC: $2.55

* Target was set based on data from the 2013–14 baseline year

Performance Analysis—Industrial Research and Development Financing

In 2014–15, Industry Canada continued to work to enhance Canada's innovation capacity and expertise. The Technology Demonstration Program will help aerospace companies test new products and technologies.

Industry Canada implemented updates to the Strategic Aerospace and Defence Initiative. These changes aim to reduce administrative burden and provide incentive to firms—especially small- and medium-sized enterprises—to invest in research and development, while ensuring that Canadians benefit from high-value business opportunities.

Automotive Innovation Fund investments in 2014–15 contributed to the development and commercialization of various new products. These included advanced materials and emissions technologies and advanced flexible manufacturing processes and facilities.

The Department continues to manage the portfolio of Technology Partnerships Canada projects. This involves reviewing project status and receiving repayments, which are expected to continue until 2019.

The variance between Planned Spending, Total Authorities Available for Use and Actual Spending reflects an internal transfer from the Strategic Aerospace Defence Initiative to the Northern Ontario Development Program, Mitacs Inc. and Youth Internships.

Sub-program—Automotive Innovation

Description

This program supports the production of innovative, greener and more fuel-efficient vehicles by contributing to strategic, large-scale research and development (R&D) projects in the automotive sector. It provides support in the form of repayable contributions to automotive-related companies to fund innovative activities related to automotive engineering, R&D and manufacturing modernization. This program also supports Canada's environmental agenda in advancing R&D and innovation to increase

automobile fuel efficiency and reduce greenhouse gases. This program was funding from the following transfer payment: Automotive Innovation Fund.

Budgetary Financial Resources—Automotive Innovation (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
$5,111,231	$1,240,676	($3,525,697)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
5	5	–

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Enhanced capacity for the development of innovative, more fuel-efficient technologies in the Canadian automotive industry	Number of projects to date focusing on innovative fuel efficient technologies and processes	6	7
Investment in leading-edge R&D in the Canadian automotive sector	Dollars to date of investment leveraged per dollar of Industry Canada disbursements in automotive R&D projects	$5.55	$7.04

Performance Analysis—Automotive Innovation

In 2014, an additional $500 million was provided for the Automotive Innovation Fund (AIF), which will be reflected in future reports. This funding will support significant new strategic research and development projects and long-term investments in the Canadian automotive sector.

To date, the AIF has supported seven projects related to developing innovative fuel-efficient technologies and processes and leveraged an average of $7.04 of private sector investment per AIF investment dollar. For example, on January 12, 2015, the AIF announced a repayable contribution of up to $90.7 million to Linamar Corporation, a major manufacturer of automotive components. The funding will support a project to

being leading-edge technologies to Canada and create high-quality jobs in southwestern Ontario.

The ADF continued to implement the recommendations from the evaluation completed in 2013. The program established service standards and began monitoring the international automotive investment landscape, to ensure the ADF continues to support a strong and competitive Canadian automotive industry.

In addition, the Office of the Auditor General conducted an audit of the ADF as part of its audit of Support to the Automotive Sector. The audit was tabled in Parliament in November 2014. In response to the resulting recommendations, Industry Canada reviewed the ADF risk framework for assessing projects and will use it to ensure that the risk profiles of projects and applicants are taken into account during project assessments.

The variance between Planned and Actual Spending reflects unused funding of $6.1 million from the ADF in 2014–15. This funding has been reprofiled to future years to support large-scale research and development projects in the automotive sector.

Sub-program – Aerospace and Defence Innovation

Description

This program supports research and development in the Canadian aerospace, defence, space and security industries. It enhances competitiveness by encouraging and leveraging investment in the research and development of new technologies, products, processes and services in Canada and fosters collaboration among research institutes, universities, colleges and the private sector through repayable and non-repayable contributions. This program uses funding from the following transfer payments: Strategic Aerospace and Defence Initiative and the Technology Demonstration Program.

Budgetary Financial Resources – Aerospace and Defence Innovation (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
[illegible]	[illegible]	[illegible]

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
[illegible]	[illegible]	[illegible]

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
New and innovative products, services and processes are commercialized by Canadian businesses	Number of projects to date in which the recipient has commercialized a new product, service or process as a result of Industry Canada financing	204	202
Investment in leading-edge R&D in the Canadian aerospace and defence sector	Dollars to date of investment leveraged per dollar of Industry Canada disbursements in aerospace and defence R&D projects	SADI: $1.86 TPC: $2.33	SADI: $1.87 TPC: $2.33
Collaboration between private sector and universities, colleges and affiliated research institutes	Number of projects to date for which the recipient has established a collaborative relationship with universities, colleges and/or affiliated research institutes	30	30

Performance Analysis—Aerospace and Defence Innovation

In 2014–15, the Department completed the first and second calls for proposals and associated assessments under the Technology Demonstration Program. Processing of the first projects is under way, with public announcements anticipated in late 2015–16.

In 2014–15, Industry Canada provided $30 million over five years through the Technology Demonstration Program to establish the Consortium for Aerospace Research and Innovation in Canada (CARIC), a national aerospace research and technology network. CARIC is a joint initiative of the Aerospace Industries Association of Canada and the Consortium for Research and Innovation in Aerospace in Quebec. It was set up in response to one of the recommendations in the reports stemming from the Review of Aerospace and Space Programs and Policies.

Three new projects were approved under the Strategic Aerospace and Defence Initiative (SADI) in 2014–15. The recipient companies were able to benefit from changes made to SADI in 2014, including introducing a more streamlined and expedited application process, higher financing ratio and reduced administrative and reporting requirements.

SADI helps foster collaboration between research institutes, universities, colleges and the private sector. Thirty SADI projects resulted in the creation of collaborations with post-secondary institutions for the research and development phase of projects. For example, one recipient worked with graduate-level students from Simon Fraser University on antenna prototype measurement and testing at the university's antenna measurements lab, providing students with hands-on and innovative experiences.

SADI continued to enhance the competitiveness of Canadian aerospace and defence firms in 2014–15. Twenty-five projects resulted in the development of new products, services and processes, while 19 led to the commercialization of new products, services and processes.

While the Department has not accepted applications for new projects under Technology Partnerships Canada (TPC) since December 31, 2006, Industry Canada continues to manage ongoing projects and collect repayments. To date, $1.1 billion in repayments has been made, with these expected to continue until 2035. Of the research and development investments made under TPC, an additional $2.33 was leveraged for each dollar disbursed.

The variance between Planned and Actual Spending reflects unused funds in grants and contributions programs, as follows:

- SADI ($47.3 million): Program demand was lower than expected, which directly impacted the number of projects approved and the level of spending and generated unused funding of $26.7M under SADI. However, a portion of this funding ($9 million) was reprofiled to future years to accommodate changes in cash flow requirements for approved projects. SADI also reallocated $21 million internally to support other contribution programs in the Department.

- TDP ($7.6 million): The TDP lapsed $13.6 million in 2014–15 (including $6 million received from SADI, which was not included in Planned Spending). This funding has been reprofiled to future years to meet the cash flow requirements of research and development projects in the aerospace sector.

Strategic Outcome: Canadian businesses and communities are competitive

Program—Small Business Research, Financing and Services

Description

This program enhances the growth and competitiveness of small business and encourages entrepreneurship. It raises awareness across government of the challenges facing small businesses; provides knowledge and expertise on small and medium-sized enterprises (SMEs) in a number of areas, including entrepreneurship, financing, innovation and growth firms; recommends policy options; and delivers programs that help support SMEs and entrepreneurial activity across Canada.

Budgetary Financial Resources—Small Business Research, Financing and Services (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
95,390,065	95,390,065	89,667,650	91,428,836	(3,961,229)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
103	103	–

Performance Results

Expected Result	Performance Indicator	Target	Actual Result
New small- and medium-sized enterprises are created	Number of small- and medium-sized enterprise entries	10,000	N/A

Performance Analysis—Small Business Research, Financing and Services

In 2014–15, Industry Canada continued to enhance the growth and competitiveness of small businesses and encourage entrepreneurship by delivering programs such as the Canada Small Business Financing Program and BizPaL. The Department also developed policies aimed at increasing access to financing for small- and medium-sized enterprises.

Statistics Canada has changed the way it calculates the number of new small- and medium-sized enterprises created. New measures have been developed for 2015–16.

The variance between Planned and Actual Spending reflects a reduction in loans made under the Canada Small Business Financing Program.

Sub-program—Small Business Financing and Growth

Description

This program helps Canadian small- and medium-sized enterprises (SMEs) and young entrepreneurs access financing that would not otherwise be available or would only be available under less favourable terms. Futurpreneur Canada also assists entrepreneurs through mentoring, where the entrepreneur is matched with an experienced business professional. This program also provides advice and support to the Business Development Bank of Canada (BDC) and promotes understanding of the challenges small businesses face in the terms of growth and prosperity. This program uses funding from the following programs: Canada Small Business Financing Program and Futurpreneur Canada.

Budgetary Financial Resources—Small Business Financing and Growth (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
89,872,486	83,820,594	(6,051,892)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
65	56	(9)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Small- and medium-sized enterprises that would not otherwise be able to access financing can do so with government support	Number of loans registered with the program	6,500	5,067

Expected Results	Performance Indicators	Targets	Actual Results
	Value of loans registered with the program	$950 million	$785.3 million
Young entrepreneurs are able to obtain advice from experienced individuals	Number of mentorships established	460	517

Performance Analysis—Small Business Financing and Growth

On April 1, 2014, Industry Canada implemented regulatory changes to improve and modernize the Canada Small Business Financing Program. These changes were designed to enhance the availability of asset-based financing to small businesses, particularly start-ups, and reduce the administrative burden of the program. The Department continued its efforts to promote the program with financial institutions and small business support organizations across the country.

Industry Canada continued to roll out the program's online loan registration application to increase the efficiency of the process and help reduce paper and administrative burdens. As of March 2015, the Department was receiving 80 percent of the loan fees and 29 percent of the registration fees electronically, up from 65 percent and 15 percent, respectively, in 2013–2014.

Since the program is market-driven, variances in the number and value of loans registered reflect levels of supply by lenders and demand from small businesses.

The variance between Planned and Actual Spending reflects a change in the number of claims received and payments made for defaulted loans under the CSBFP, driven primarily by a reduction in the number of loans made in recent years.

In 2014–15, Futurpreneur Canada (formerly the Canadian Youth Business Foundation) was able to increase the number of mentorships provided using Industry Canada funding from a target of 460 to 517 by decreasing its net cost per start-up and by achieving efficiencies in its project delivery. The actual result is an estimate calculated by dividing the total Industry Canada funding that Futurpreneur Canada received in 2014–15 by the average cost per loan, which determines the number of mentorships. When Industry Canada funding and all other funding sources are included, Futurpreneur Canada provided a total of 955 mentorships.

The increase in FTEs under the Service to Business sub-program is offset by a corresponding decrease under the Small Business Financing Growth sub-program as a result of FTEs being reallocated for specific projects (Paperwork Burden Reduction Initiative, BizPaL and the Canada Business Network).

Sub-program—Service to Business

Description

This program develops strategies for improving access to relevant government information to potential Canadian entrepreneurs and small- and medium-sized enterprises (SMEs), including cooperatives. The Canada Business Network (CBN) and BizPaL provide one-stop access to specific government information on programs, services, permits, licences and regulations along with other business-related tools. CBN and BizPaL services are offered through the Internet and toll-free telephone. CBN officer-assisted services are also provided across Canada. CBN and BizPaL are delivered in collaboration with other federal departments and agencies, provincial, territorial and municipal governments and other entities. This program also reports on strategies for reducing paperwork burden on SMEs when complying with government requirements and obligations.

Budgetary Financial Resources—Service to Business (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
5,517,579	7,608,242	2,090,663

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
38	47	9

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Small business and potential entrepreneurs access government information on business-related programs, tools, and services	Number of client interactions on all Canada Business Network and BizPaL content delivered through the national web channel	1.7 million	2,752,751

Expected Results	Performance Indicators	Targets	Actual Results
Canada Business Network and BizPaL clients find the information provided useful	Percentage of clients that indicate they found Canada Business Network and BizPaL services and information useful	60%	64%

Performance Analysis—Service to Business

In 2014–15, Industry Canada began developing the Service to Business Strategy, focusing on improving the Department's service culture and design as well as client experiences. The Department completed a pilot project to optimize access to online information for small- and medium-sized enterprises, including co-operatives. To promote its services, the Canada Business Network participated in various events throughout the year.

Industry Canada completed its BizPaL pilot project with Canada Post to enable small- and medium-sized enterprises to carry out secure transactions with government, although the Department decided not to implement the project on a wider scale at this time due to the cost of the project.

The variance between Planned and Actual Spending reflects the additional funding provided for activities to improve services for business.

The increase in FTEs under the Service to Business sub-program is offset by a corresponding decrease under the Small Business Financing Growth sub-program as a result of FTEs being reallocated for specific projects (Paperwork Burden Reduction Initiative, BizPaL and the Canada Business Network).

Program—Industrial Competitiveness and Capacity

Description

This program helps Canadian industries increase their competitiveness in global markets and improve their capacity for developing and marketing innovative products and services. The program develops expertise on Canadian firms and sectors through research and analysis and engagement with associations, governments and leading firms. It applies this expertise to develop and contribute to policy, legislation and regulations aimed at strengthening the contribution of industry to Canada's economic well-being. This program collaborates with the private sector on industry development; attracts investment and promotes Canadian expertise; and advances initiatives for increasing productivity and supporting growth.

Budgetary Financial Resources—Industrial Competitiveness and Capacity (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
31,560,065	31,560,065	32,900,839	31,303,195	(256,869)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
212	222	10

Performance Results

Expected Result	Performance Indicators	Targets	Actual Results
Canadian industries have the capacity to prepare for and respond to risks and opportunities in domestic and global markets	Canada's ranking among G7 countries for "value chain breadth"	6th	7th
	Canada's ranking among G7 countries for "firm-level technology absorption"	6th	6th

Performance Analysis—Industrial Competitiveness and Capacity

In 2014–15, Industry Canada collaborated with the Federal Economic Development Agency for Southern Ontario to deliver the Advanced Manufacturing Fund. In particular, the Department assessed the innovation, market relevance and economic spillovers of proposed research and development and advanced manufacturing projects. The $200-million fund supports the development of cutting-edge technologies and advanced manufacturing activities in Ontario.

Industry Canada collaborated with other departments to advance Canada's trade and investment agenda, including providing support for trade agreements (e.g., the Trans-Pacific Partnership, the Canada-Korea Free Trade Agreement) and promoting investments in Canadian manufacturing industries.

Sub-program—Industry-Specific Policy and Analysis

Description

This program provides intelligence, analysis and advice on the challenges and opportunities facing industry as it seeks to be competitive in global markets. Industry-specific analysis is used to inform stakeholders on key issues and policies that are relevant to the competitiveness of targeted industries and their positions within globalized markets and value chains. In collaboration with partners such as industry associations and other government departments, the program develops and disseminates studies, research papers and statistical reports to create an evidence base for informed decision making. It performs targeted outreach to assist industry in better understanding government policy and programs. This program also promotes the adoption and adaptation of new and emerging technologies and skills for business processes, and promotes strategic research and development, marketing, investment and international business development activities.

Budgetary Financial Resources—Industry-Specific Policy and Analysis (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
29,950,908	27,717,671	(2,233,237)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
181	191	10

Performance Results

Expected Result	Performance Indicator	Target	Actual Result
Decision makers have access to informed analysis on trends and issues affecting the competitiveness of Canadian industries	Number of collaborative research or policy initiatives started or maintained	40	59

Performance Analysis—Industry-Specific Policy and Analysis

In 2014–15, the Canada–India Information and Communications Technology Working Group held one formal meeting and conducted numerous activities under the umbrella of

the Canada-India ICT Memorandum of Understanding to facilitate business-to-business cooperation. To date, 38 small- and medium-sized enterprises (SMEs) are in advanced discussions with a leading Indian multinational enterprise, and Canadian SMEs are being connected with a leading Indian telecommunications firm through initiatives with Export Development Canada and the National Research Council's Industrial Research Assistance Program.

Industry Canada led a working group comprised of nine other departments to examine the opportunities and challenges posed by big data analytics. This work covered the economic and social impacts of big data, as well as its usefulness as a tool for government program delivery, policy development, regulatory enforcement and engagement with stakeholders.

To support the launch of the Rapid Canada Conference on additive manufacturing and to facilitate partnerships on emerging technologies, the Department convened two panels and facilitated discussions on additive manufacturing with government officials and industry representatives. The Rapid Canada conference was the largest gathering of additive manufacturing experts in Canada to date and provided an opportunity to develop partnerships across the private sector and government organizations.

The Department partnered with leading independent policy researchers such as the Public Policy Forum, the C.D. Howe Institute and the Lawrence Centre for Policy and Management to examine some of the key themes facing manufacturing in Canada, including identifying opportunities and challenges for investment, growth and competitiveness in the manufacturing sector. Industry Canada also undertook an analysis of Canada's automotive sector in order to better identify opportunities and address challenges with respect to its supplier community.

In November 2014, Industry Canada announced the membership of the Space Advisory Board, which then met for the first time in February 2015. The Deputy Minister Governance Committee for Space first met in February 2014, and continued to meet at regular intervals in 2014–15 to provide coordinated oversight and guidance for major federal space activities across departments.

Industry Canada engaged in regular dialogue with industry stakeholders and federal departments and agencies through meetings of the Federal Tourism Strategy Steering Committee. In September 2014, Industry Canada worked to foster a constructive dialogue on tourism with provinces and territories through a meeting of the Canadian Council of Tourism Ministers.

The variance between Planned and Actual Spending reflects internal reallocations to the Industrial and Regional Benefits sub-program to align with program requirements.

Sub-program—Shipbuilding Capacity

Description

This program implements the Value Proposition (VP) component of the National Shipbuilding Procurement Strategy (NSPS) to support the health and sustainability of the wider Canadian marine industry. Irving Shipbuilding and Seaspan Shipyards, the two shipyards selected through the competitive process of the NSPS, contribute 0.5% of all their NSPS contracts towards VP investments. This program also helps ensure that shipbuilding capacity exists for federal marine procurement and maintenance requirements by providing non-repayable contributions to reduce applicants' interest or leasing costs. This program uses funding from the following transfer payment: Structured Financing Facility.

Budgetary Financial Resources—Shipbuilding Capacity (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
589,736	382,685	(207,051)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
5	3	(2)

Performance Results

Expected Result	Performance Indicator	Target	Actual Result
Commitments under the National Shipbuilding Procurement Strategy contribute to the health and sustainability of the Canadian shipbuilding and marine industry	Total dollar value of planned investment in the Canadian shipbuilding and marine industry from National Shipbuilding Procurement Strategy resultant contracts	$1.44 million	$3.5 million

Performance Analysis—Shipbuilding Capacity

In 2014–15, Industry Canada successfully negotiated the terms and conditions for the first construction contract under the National Shipbuilding Procurement Strategy Value Proposition. In addition, the shipyard, Irving Shipbuilding Inc., identified the related planned investments.

The Department developed policies and procedures in 2014-15 to improve how it evaluates planned investments submitted by both shipyards under the Value Proposition (Irving Shipbuilding Inc. and Vancouver Shipyards). This included establishing clear deadlines and expectations for reporting and regularly planned meetings.

The planned investments for 2014-15 exceeded the target because one shipyard is ahead of schedule in identifying activities.

Sub-program—Industrial and Regional Benefits

Description

This program implements the Industrial and Regional Benefits (IRB) Policy, which provides the framework for leveraging federal defence and security procurements to generate long-term industrial and regional development within Canada. The IRB Policy ensures that Canadian companies can derive benefits from federal procurements through the creation of new business opportunities or investments in research and development, technology commercialization or business development activities. Under the IRB Policy, prime contractors that are awarded major federal defence and security contracts are required to generate new business activity in the Canadian economy in an amount equal to the value of the contract.

Budgetary Financial Resources—Industrial and Regional Benefits (dollars)

2014-15 Planned Spending	2014-15 Actual Spending	2014-15 Difference (actual minus planned)
1,010,420	3,202,839	2,165,419

Human Resources (FTEs)

2014-15 Planned	2014-15 Actual	2014-15 Difference (actual minus planned)
25	28	3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Prime contractors benefiting from federal procurement contracts reinvest in the Canadian economy	Dollar value of prime contractor investment in the Canadian economy	$2 billion	$2.01 billion

Expected Results	Performance Indicators	Targets	Actual Results
Business relationships are created between Canadian suppliers and prime contractors	Number of transactions that generate relationships between prime contractors and Canadian companies	125	103
Industrial and Regional Benefits transactions are reviewed, approved and reported on in a timely manner	New business transactions that are examined and assessed annually as a percentage of total applications received	60%	60%

Performance Analysis – Industrial and Regional Benefits

On December 19, 2014, the Industrial and Regional Benefits Policy was transformed into the Industrial and Technological Benefits Policy, which includes the Value Proposition framework as described in the *Value Proposition Guide*.[19] The new approach will better leverage defence and security procurements to create jobs and economic growth in Canada.

The number of new transactions that generated business relationships between prime contractors and Canadian companies was lower than anticipated in 2014–15 due to prime contractors' business decisions to conduct work within their Canadian operations.

The variance between Planned and Actual Spending reflects reallocations from the Industry-Specific Policy and Analysis sub-program to align with program requirements.

Program – Community Economic Development

Description

This program advances the economic development of Northern Ontario communities in the same manner that regional development agencies support similar activities in other regions of Canada. Its main goal is to strengthen the Northern Ontario economy by providing financial support, through contribution agreements, for economic and community development projects led by the private, not-for-profit and public sectors, including support for official language minority communities. This program also contributes to communities across Canada with programs to support access to the Internet, as well as to provide computers for schools.

Budgetary Financial Resources—Community Economic Development (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
61,787,284	61,787,284	65,125,251	55,737,828	(5,949,544)

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
98	117	19

Performance Results

Expected Result	Performance Indicator	Target	Actual Result
Targeted businesses and organizations in Northern Ontario create economic growth	Number of Northern Ontario businesses and organizations created, expanded or maintained with FedNor assistance	1,700	2,109*

* Based on reports received by May 31, 2015

Performance Analysis—Community Economic Development

In 2014–15, Industry Canada supported economic and community development in Northern Ontario through the Northern Ontario Development Program, the Community Futures Program and the Economic Development Initiative of the Roadmap for Canada's Official Languages 2013–2018.

The Department launched targeted initiatives to enhance, for example, youth internships in small- and medium-sized enterprises and economic development capacity in rural and First Nations communities.

The variance between Planned and Actual Spending reflects an internal transfer from SAGE to NSERP and Youth Internships. It also includes additional funding received during the year for Computers for Schools, the Computers for Schools – Technical Work Experience Program and Connecting Canadians program.

Sub-program—Northern Ontario Economic Development

Description

This program promotes economic development and diversification, job creation, and sustainable, self-reliant communities in Northern Ontario. This is achieved by providing transfer payments to small and medium-sized enterprises and not-for-profit organizations, including municipalities, municipal organizations, community development organizations and research institutions, in the following priority areas: community economic development, business growth and competitiveness and innovation. As part of the Roadmap for Canada's Official Languages 2013-2018, this program also provides support for business and economic development activities that enhance the economic vitality of francophone communities throughout Northern Ontario and encourage sustainable growth. This program uses funding from the following transfer payments: Northern Ontario Development Program, Economic Development Initiative, and Community Futures Program.

Budgetary Financial Resources—Northern Ontario Economic Development (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
50,907,284	55,394,846	4,487,562

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
92	93	1

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Targeted Northern Ontario businesses and organizations attract investors	Dollars of investment leveraged per program dollar disbursed	$2.40	$1.56

Expected Results	Performance Indicators	Targets	Actual Results
Targeted Northern Ontario businesses and organizations create and maintain jobs	Number of jobs created and maintained in Northern Ontario through FedNor programming investments	4,100	4,025*

* Based on reports received by May 28, 2015.

Performance Analysis—Northern Ontario Economic Development

In 2014–15, Industry Canada launched the Community Investment Initiative for Northern Ontario to help First Nations and rural communities hire a qualified professional to promote economic development opportunities.

Through the Community Futures Program, the Department engaged the 24 Northern Ontario Community Futures Development Corporations (CFDCs) to foster economic stability, growth and job creation, help create diversified and competitive local rural economies and build economically sustainable communities in Northern Ontario.

The Northern Ontario Development Program launched a private sector youth internship initiative through the CFDCs to increase access to human resources by small and medium-sized enterprises in rural and remote areas to support business growth.

The Department addressed gaps in broadband service across Northern Ontario in 2014–15 by investing in deployment projects to complement the Connecting Canadians program.

Industry Canada engaged other federal departments, the Ontario government and First Nations communities to ensure continued progress on the Ring of Fire mining development, creating economic opportunities in northwestern Ontario.

Industry Canada fostered the development of official language minority communities by implementing the Economic Development Initiative of the Roadmap for Canada's Official Languages 2013–2018.

The difference between the planned and actual dollars of investment leveraged per program dollar disbursed reflects the fact that the current reporting methodology does not capture data associated with support provided to intermediary service providers and organizations that, in turn, distribute it to the ultimate recipients. Efforts are being made to ensure that full leverage impacts are identified in total project costs that are used to calculate leverage.

The variance between Planned and Actual Spending reflects internal reallocations to NODP to support FedNor initiatives (Targeted Manufacturing Initiative for Northern Ontario and FedNor's approach to supporting broadband deployment), as well as in-year

costs related to pay list requirements to meet the legal obligations of the employer (e.g., parental leave).

Sub-program—Computer and Internet Access

Description

This program supports access to computers and the Internet in communities across the country. Through the new Connecting Canadians program, it also funds the extension or enhancement of broadband infrastructure to reach previously underserved communities. It is also responsible for maintaining current maps of broadband coverage across Canada and for working with other government partners to coordinate support for broadband infrastructure. The program also supports access to satellite bandwidth for providing broadband access to previously unserved or underserved households, in accordance with established agreements under the Broadband Canada Program (ends in 2015–16; no new agreements will be signed). The program refurbishes surplus computer equipment donated by the public and private sectors, distributing it to schools, libraries, not-for-profit learning organizations and Indigenous communities upon request. It also provides youth internship opportunities where young Canadians can gain valuable experience in the field of information and communications technologies (ICT). This program uses funding from the following transfer payments: Youth Internships at community access sites, Computers for Schools and Computers for Schools – Technical Work Experience Program, Broadband Canada: Connecting Rural Canadians Program, and Connecting Canadians program.

Budgetary Financial Resources—Computer and Internet Access (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
10,800,000	28,343,082	17,543,082

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
6	25	19

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Broadband Internet access to unserved and underserved households	Number of households in Canada with broadband access from satellite services funded by the Broadband Canada program	72,000	72,000
Schools, libraries, not for profit learning organizations and Indigenous communities receive refurbished computers	Number of refurbished computer units delivered annually	65,000	73,257
Youth interns gain work experience in the information and communication technologies field	Number of youth interns hired	250	272 (Computers for Schools) 1,345 (Youth Internships)

Performance Analysis—Computer and Internet Access

Industry Canada launched the new Connecting Canadians program in July 2014. The goal of the program is to bring broadband access at a minimum of 5 megabits per second to up to 280,000 additional unserved or underserved Canadian households. More than 300 applications were received by the January 12, 2015 deadline. Industry Canada's contribution funding under Broadband Canada: Connecting Rural Canadians program, which will end in 2015–16, provided the financial support for 72,000 previously unserved or underserved households to receive access to satellite broadband. By 2019, the new Connecting Canadians program will extend access to broadband Internet at speeds of 5Mbps to 98 percent of Canadian households.

The Computers for Schools program distributed 73,257 refurbished computers and laptops to schools, libraries, not-for-profit learning organizations and Indigenous communities in 2014–15. The program also supported internships for 272 youth in the information and communications technologies field. In 2014, the Computers for Schools program received renewed funding of $36 million over four years. As a result, the program approved three-year funding agreements with recipients, to begin in 2015–16. The Youth Internships Program also provided approximately 1,345 young people with job experience in the field of information and communications technologies. The program has currently been extended for an additional year, until the end of 2015–16.

The target for number of youth interns hired includes only those internships provided under the Computers for Schools – Technical Work Experience Program.

The variance between Planned and Actual Spending reflects funding provided in 2014 and accessed through Supplementary Estimates to renew the Computers for Schools Program and funding reallocated internally to the Youth Internships program.

The variance between Planned and Actual FTEs reflects requirements to implement and manage the new Connecting Canadians program.

Internal Services

Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Budgetary Financial Resources—Internal Services (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for use	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
91,810,131	124,810,133	136,734,260	133,544,518	8,734,387

Human Resources (FTEs)

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,116	1,201	85

Performance Analysis— Internal Services

Industry Canada's ongoing internal services delivery and the management initiatives noted below continue to be grounded in sound financial management practices and are designed to improve the efficient and effective delivery of programs and operations.

Blueprint 2020

In 2014-15, Industry Canada upheld its commitment to employees by continuing to implement its Blueprint 2020 action plan. The action plan, which is based on Department-wide consultations, was augmented by an outreach and engagement strategy, changes to the Department's governance structure, and the solicitation of direct employee involvement in integrated planning, human resources practices, internal communications, policy development, innovation and program delivery.

Human Resources

The Department focused on its workforce, workplace and leadership through various initiatives, including: enhancing the performance management program by implementing the Directive on Performance Management and holding related skills-building workshops

for managers; continuing to establish a corporate approach to recruiting and developing policy advisors; and revitalizing the Industry Canada Managers Community, which leads departmental initiatives to foster innovation and build engagement among managers and enhance professional development opportunities for them.

Financial Management

In 2014–15, Industry Canada implemented the government-wide operating budget freeze. Due to its prudent financial management and focus on long-term financial affordability, the Department was able to manage the freeze largely through attrition, while ensuring the continued delivery of its mandate and core activities.

Transformation Initiatives

Industry Canada also focused on implementing Government of Canada transformation initiatives in information technology, information management, finance and human resources management, such as Open Government, GCDocs and pay consolidation. The Department created a working group to provide governance, standards and guidelines for data management and to facilitate the identification, determination of eligibility and release of the Department's high-value datasets under Open Government. In preparation for the implementation of GCDocs, the Department worked closely with Public Works and Government Services Canada (PWGSC) and other departments that have already implemented the system to benefit from their experience and lessons learned. The Department continued to manage the transfer of pay services to PWGSC in Miramichi, New Brunswick.

The variances between the Main Estimates and Planned Spending, Total Authorities Available for Use and Actual Spending under Internal Services appear each year, and are due, in part, to the Department's funding model, according to which a large portion of its core budget comes from repayments and royalties received for support provided under former contribution programs. This portion varies from year to year, and is accessed annually through Supplementary Estimates; it is never reflected in the Main Estimates.

The variance between Planned and Actual Spending reflects in-year costs related to pay list requirements to meet legal obligations of the employer (e.g., parental leave) and internal reallocations for the consolidation of IT resources.

The variance between Planned and Actual FTEs is mainly due to the consolidation of IT resources under Internal Services.

Section III: Supplementary Information

Financial Statements Highlights and Financial Statements

The financial highlights presented within this DPR are intended to serve as a general overview of Industry Canada's financial position and operations and should be read in conjunction with the 2014–15 Departmental Financial Statements, which can be found on the Industry Canada website.[14]

Summary of 2015 Financial Results

The financial results are shaped by the three strategic outcomes and associated internal services that aim to help make Canadian industry more productive and competitive in the global economy, thus improving the economic and social well-being of Canadians.

Condensed Statement of Operations

Industry Canada
Condensed Statement of Operations and Departmental Net Financial Position
(Unaudited)
For the year ended March 31, 2015
(dollars)

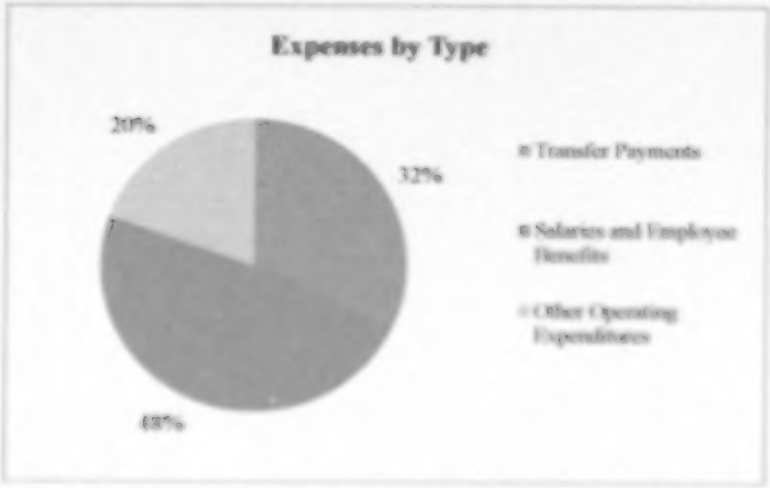
	2014–15 Planned Results*	2014–15 Actual	2013–14 Actual	Difference (2014–15 actual minus 2014–15 planned)	Difference (2014–15 actual minus 2013–14 actual)
Total expenses	1,220,165,626	1,050,446,244	1,213,910,486	(169,719,382)	(163,464,242)
Total revenues	229,767,999	223,964,778	224,298,773	(5,803,221)	(333,995)
Net cost of operations before funding and transfers	990,397,627	826,481,466	989,611,713	(163,916,161)	(163,130,247)

* As per the 2014–15 Future-Oriented Statement of Operations.

Planned Results

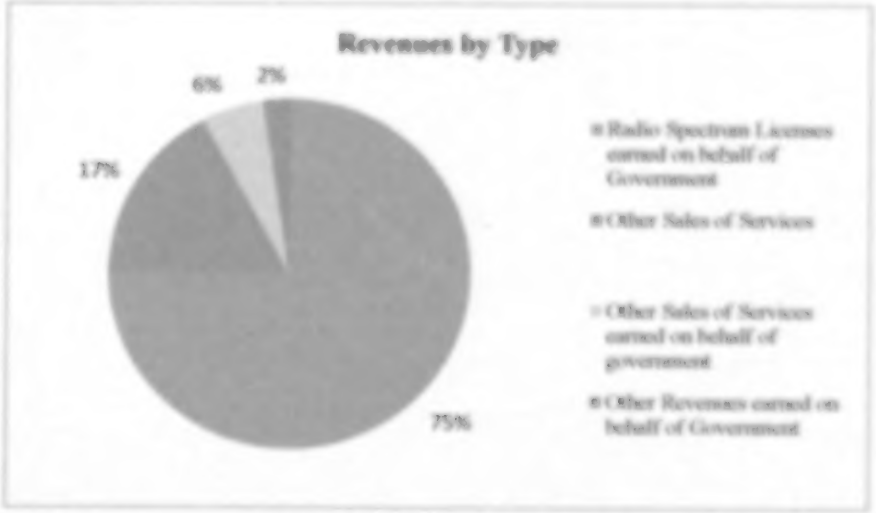
Planned Results are based on the Future-Oriented Statement of Operations presented in the 2014–15 Report on Plans and Priorities.[15] The $170-million variance between 2014–15 planned results and 2014–15 actual expenses is attributable to decreases in a number of areas. Payments through transfer payments for programs such as the Strategic Aerospace and Defence Initiative (SADI) and the Technology Demonstration Program were lower as a result of smaller program demand. As well, the Canada Small Business Financing Program spending decreased due to a drop in claims received and payments made for defaulted loans. Finally, operating expenses were also lower than planned, particularly for professional and special services. Those spending estimates were mainly based on historical averages.

Expenses



Total expenses were $1.05 billion in 2014–15, a decrease of $163 million from 2013–14. This decrease is mainly attributable to Genome Canada (under the Science, Technology and Innovation Capacity program) which was recorded as an expense in 2013–14. The decrease in Grants and Contributions was slightly offset by an increase in salaries and employee benefits related to severance liability adjustments due to a change in the TBS severance liability rate.

Revenues



Total gross revenues were $1.3 billion in 2014–15, an increase of approximately $225 million, while net revenues of $224 million remained mostly unchanged from last year. Spectrum licences represent the majority of gross reported revenue in the Departmental Financial Statements and account for most of the increase since 2013–14. This increase in gross revenues reflects the recognition of spectrum licence revenues from the 700 MHz

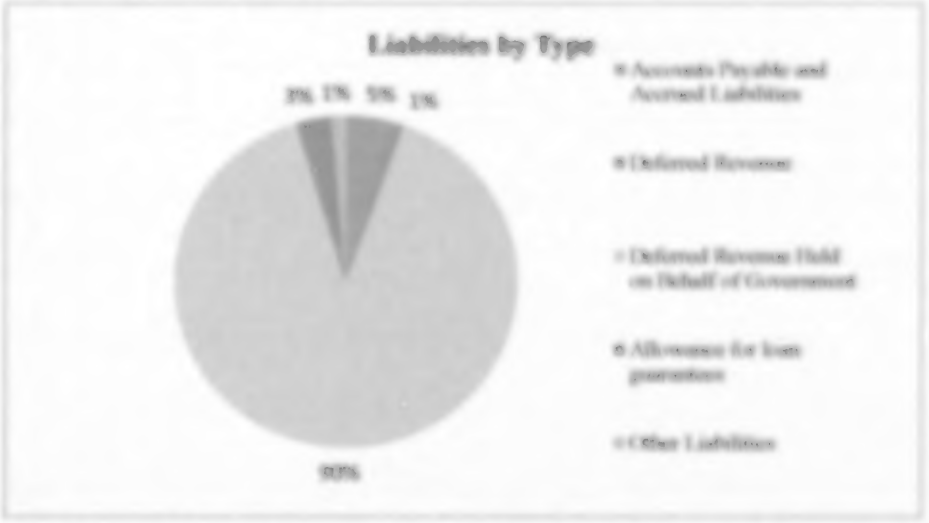
band auction completed in 2014. The increase is partially offset by a decrease of revenues from fines. These types of revenues are reported as revenue earned on behalf of Government as they cannot be accessed by the department. Other sales of services represent legislative fees and registrations collected by organizations such as the Canadian Intellectual Property Office, the Office of the Superintendent of Bankruptcy and the Canada Small Business Financing Program. A portion of these revenues are not respendable and are reported as revenues earned on behalf of Government.

Condensed Statement of Financial Position

Industry Canada
Condensed Statement of Financial Positions (Unaudited)
As of March 31, 2015
(dollars)

	2014–15	2013–14	Difference (2014–15 minus 2013–14)
Total net liabilities	831,762,877	875,047,895	(43,285,018)
Total net financial assets	271,830,924	254,365,147	17,465,777
Departmental net debt	559,931,953	620,682,748	(60,750,795)
Total non-financial assets	113,038,990	107,267,916	5,771,074
Departmental net financial position	(446,892,963)	(513,414,832)	66,521,869

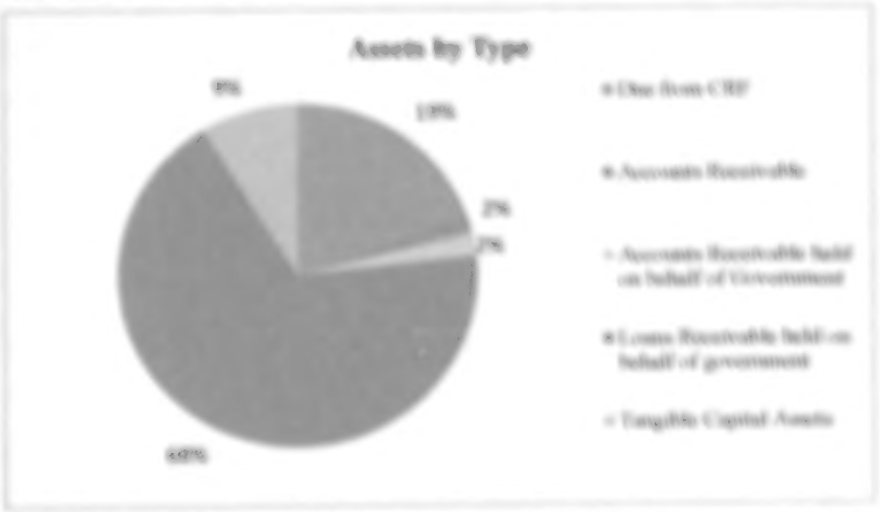
Net Liabilities



Total net liabilities were $832 million for 2014–15, a decrease of $43 million, while gross liabilities were $8.2 billion, an increase of $3.9 billion. Accounts Payable decreased $71 million this fiscal year, which is mainly attributable to a reduction of grants and

contributions payable, including statutory payments for Genome Canada and the Canadian Youth Business Foundation. The decrease was partially offset by increases in employee future benefits and other liabilities. The $3.9-billion increase in liabilities is mostly due to an in increase in deferred revenues as a result of the completion of the 700 MHz auction and the receipt of partial payments for the AWS-3 auction. The majority (99 percent) of the deferred revenue cannot be accessed by Industry Canada and is therefore reported as a liability held on behalf of Government, thus reducing the departmental net liabilities by $7.4 billion.

Net Financial Assets



Total net financial assets were $272 million for 2014–15, an increase of $17 million from last year, while gross financial assets were $1.2 billion, an increase of $124 million. The increase in gross financial assets can be mainly attributed to unconditionally repayable payments made during the year primarily in the Industrial Technologies Office, which provides funding through SADI to aerospace and defence firms, and the Automotive Innovation Fund, which strives to foster innovative automotive R&D in Canada.

Section III: Supplementary Information Tables

The supplementary information tables listed in the *2014-15 Departmental Performance Report* can be found on Industry Canada's website [iv]

- Details on Transfer Payment Programs
- Horizontal Initiatives
- Internal Audits and Evaluations
- Response to Parliamentary Committees and External Audits
- Up-Front Multi-Year Funding
- User Fees Reporting
- Departmental Sustainable Development Strategy

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations* publication.[17] The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

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Voice: 1-800-[illegible]
Fax: 343-291-1260

Appendix: Definitions

appropriation (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (*dépenses budgétaires*): Includes operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Report on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent (*équivalent temps plein*): Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (*Structure de la gestion, des ressources et des résultats*): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (*dépenses non budgétaires*): Includes net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (*rendement*): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plan (*plan*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities (*priorité*): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program (*programme*): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (*architecture d'alignement des programmes*): A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

result (*résultat*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

whole-of-government framework (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs

to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

1 *Department of Industry Act*, http://laws-lois.justice.gc.ca/eng/acts/i-9.2/

2 Industry Portfolio, http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_00022.html

3 Whole-of-government framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

4 Public Accounts of Canada 2015, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

5 Measurement Canada, http://www.ic.gc.ca/eic/site/080.nsf/eng/home

6 *Fresh Start: A Review of Canada's Insolvency Laws*, http://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/cl00882.html

7 Consultation on the *Canada Business Corporations Act*, https://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/h_cl00867.html

8 *One Canada, One National Economy: Modernizing Internal Trade in Canada*, http://www.ic.gc.ca/eic/site/081.nsf/eng/h_00007.html#p1

9 Contributions Program for Non-Profit Consumer and Voluntary Organizations, http://www.ic.gc.ca/eic/site/oca-bc.nsf/eng/h_ca00175.html

10 Digital Canada 150, https://www.ic.gc.ca/eic/site/028.nsf/eng/home

11 Commercial Mobile Spectrum Outlook, http://www.ic.gc.ca/eic/site/smt-gst.nsf/eng/sf09444.html

12 *Seizing Canada's Moment: Moving Forward in Science, Technology and Innovation 2014*, http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_07472.html

13 *ITB Policy: Value Proposition Guide*, http://www.ic.gc.ca/eic/site/086.nsf/eng/00006.html

14 2014–15 Departmental Financial Statements, http://www.ic.gc.ca/eic/site/017.nsf/eng/07531.html

15 Future-Oriented Statement of Operations, http://www.ic.gc.ca/eic/site/017.nsf/eng/07438.html

16 Supplementary Information Tables, http://www.ic.gc.ca/eic/site/017.nsf/eng/07475.html

17 Tax Expenditures and Evaluations publication, http://www.fin.gc.ca/purl/taxexp-eng.asp